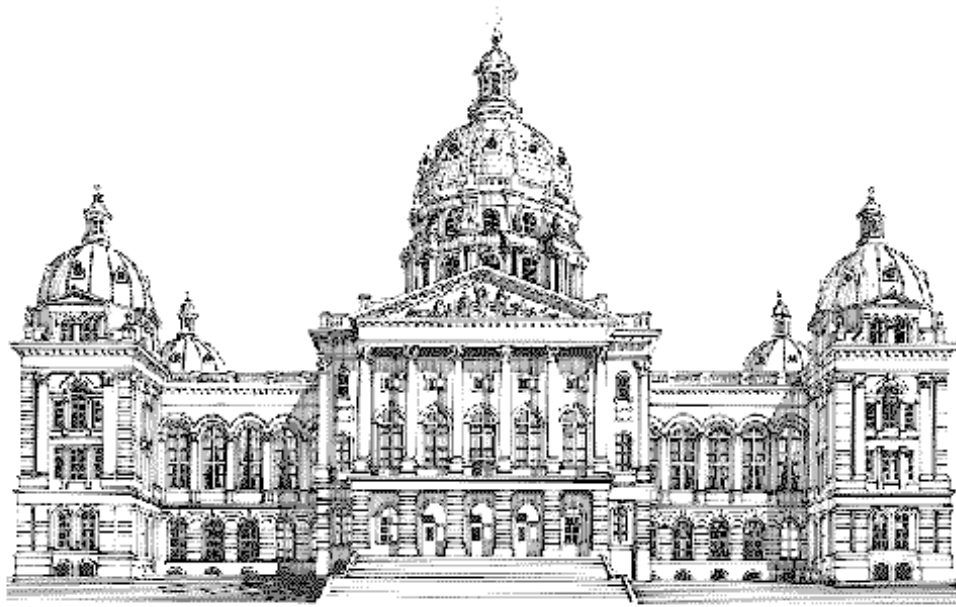


**SUMMARY OF FY 2009 BUDGET
AND
DEPARTMENT REQUESTS**



**FISCAL SERVICES DIVISION
LEGISLATIVE SERVICES AGENCY
DECEMBER 2007**

FOREWORD

The purpose of this document is to provide the General Assembly with information concerning FY 2009 General Fund estimated receipts and department requests. The information provides an overall summary of the State budget and is intended to help the General Assembly take a proactive approach toward the budgetary process.

In addition, the document is intended to provide the General Assembly with an overview of the General Fund, including revenues and expenditures. The Fiscal Services Division of the Legislative Services Agency (LSA) will be preparing a similar document in January to review the Governor's recommendations for FY 2009.

If you need additional information regarding a department request, refer to the Fiscal Services staff listing. The staff listing will indicate the appropriate analyst to contact for detailed information concerning each request.

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DOCUMENT NOTES

When Reviewing This Document, Please Note The Following:

Section 8.35A(2), Code of Iowa, requires the Department of Management (DOM) to transmit all department requests in final form to the Fiscal Services Division of the Legislative Services Agency (LSA) by November 15. The FY 2009 Department requests are based on information received by the Fiscal Services Division on November 15, 2007.

The Fiscal Services Division obtained documents from the I/3 Budget System and from the DOM to compile the information provided in this document. Other items worth noting when reviewing this document include:

- Revenues and expenditures are estimated for FY 2008 and FY 2009. The statutory expenditure limitation for appropriations will be determined at the Revenue Estimating Conference meeting on December 11, 2007. Additional detail about expenditure limitation will be provided in the LSA summary of the FY 2009 Governor's recommendations document that will be published in January 2008.
- State agencies were directed to use the Purchasing Results budgeting process to prepare the FY 2009 budget requests, in lieu of the statutory 75.0% base budget process. Under the Purchasing Results process, all State spending is expected to be tied to buying results that are aligned with the seven joint Appropriation Subcommittees established by the General Assembly. Departments that are managed by elected officials are not required to complete the Purchasing Results budgeting process. The Governor also requested that all departments and agencies submit status quo (no increase) budget requests for FY 2009.
- **Appendix A** is an appropriations tracking document showing General Fund and Other Fund appropriations and requests by Subcommittee. The document shows actual FY 2007, estimated FY 2008, the Department requests for FY 2009, and a comparison column.
- **Appendix B** is a listing of the projected FY 2009 built-in increases and decreases.
- **Appendix C** provides a brief summary of the charges of the 2007 Interim Committees.
- **Appendix D** provides a summary of salary and collective bargaining information.
- **Appendix E** provides a summary of federal funds.
- **Appendix F** provides information about public retirement systems that are scheduled for legislative action during the 2008 Session.
- **Appendix G** provides an overview of the Medical Assistance Program (Medicaid).

A similar document analyzing the Governor's budget recommendations will be published in January.

2008 SESSION TIMETABLE

JANUARY 14	First day of session. (Iowa Code Sec.2.1)
JANUARY 25 (Friday of second week)	Final day for individual legislator requests for bill drafts to the Legislative Services Agency. (Senate Rule 27 and House Rule 29)
MARCH 7** (Friday of 8th week)	Final date for Senate bills to be reported out of Senate committees and House bills out of House committees. (Joint Rule 20)
MARCH 10 - 14 (9th week)	Senate considers only Senate bills and unfinished business and House considers only House bills and unfinished business. (Joint Rule 20)
MARCH 17 - March 28 (10th and 11th weeks)	Debate not limited by rule.
March 28** (Friday of 11th week)	Final date for House bills to be reported out of Senate committees and Senate bills out of House Committees. (Joint Rule 20)
March 31 - April 4 (12th week)	Senate considers only House bills and unfinished business and House considers only Senate bills and unfinished business. (Joint Rule 20)
APRIL 7 (Beginning of the 13th week)	Amendments need not be filed on the day preceding floor debate. (House Rule 31.8)
APRIL 7 (Beginning of the 13th week)	Only the following bills are eligible for consideration by Joint Rule 20 unless otherwise indicated: <ul style="list-style-type: none"> • Appropriations Bills • Ways and Means Bills • Government Oversight Bills • Legalizing Acts • Bills co-sponsored by Majority and Minority Leaders of one House • Companion bills sponsored by Senate and House Majority Leaders • Conference Committee Reports • Concurrent or Simple Resolutions • Bills passed by both Houses in different forms • Bills on the Veto Calendar (Joint Rule 23) • Administrative Rules Review Committee Bills • Committee Bills related to delayed Administrative Rules • Joint Resolutions nullifying Administrative Rules • Unfinished Business
APRIL 22	100th calendar day of the session (Per diem expenses end)
<p><i>**The March 7 and March 28 committee deadlines do not apply to Appropriations Bills, Ways and Means Bills, Government Oversight Bills, bills co-sponsored by Majority and Minority Leaders of one House, Companion Bills sponsored by the Majority Leaders of both Houses after consultation with the respective Minority Leaders, Conference Committee Reports, Concurrent or Simple Resolutions, Joint Resolutions nullifying Administrative Rules, Legalizing Acts, Administrative Rules Review Committee Bills, and Committee Bills related to delayed Administrative Rules.</i></p>	

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BUDGET OVERVIEW

The following information provides an overall summary of Iowa's General Fund budget in an effort to assist the General Assembly in their decision-making process on the FY 2009 budget. The overview includes a discussion of the year-end FY 2007 budget; the status of the FY 2008 budget currently in progress, and the budget outlook for FY 2009. Also included is a brief look at historical trends in General Fund revenue collections and appropriations, and a summary of the department requests for FY 2009.

FY 2007

Iowa's General Fund revenue collections totaled \$5.646 billion for FY 2007, representing an increase of \$263.9 million (4.9%) compared to FY 2006. Net General Fund appropriations (after reversions) totaled \$5.385 billion for FY 2007, an increase of \$364.2 million (7.3%) compared to FY 2006. This resulted in an FY 2007 surplus of \$261.6 million surplus that was distributed as follows: \$131.9 million to the Property Tax Credit Fund, \$53.5 million to the Senior Living Trust Fund, and \$76.2 million to the Cash Reserve Fund.

The combined balances in the Cash Reserve and Economic Emergency Funds reached the statutory maximum at \$535.1 million. This was an increase of \$143.3 million compared to the combined balances in FY 2006.

FY 2008

The General Fund is currently projected to have a surplus of \$87.9 million for FY 2008. The current revenue estimate for FY 2008 as set by the Revenue Estimating Conference (REC) in October 2007, is \$5.935 billion. This represents a \$288.5 million (5.1%) increase over FY 2007. The appropriations (after reversions) are estimated at \$5.847 billion, an increase of \$462.2 million (8.6%) over FY 2007. By statute, one half of the surplus (approximately \$44.0 million) will be deposited in the Senior Living Trust Fund (SLTF) and half in the Cash Reserve Fund.

The combined balances in the Cash Reserve and Economic Emergency Funds will again reach the statutory maximum at \$592.4 million in FY 2008. This is an increase of \$57.3 million (10.7%) compared to the combined balances in FY 2007.

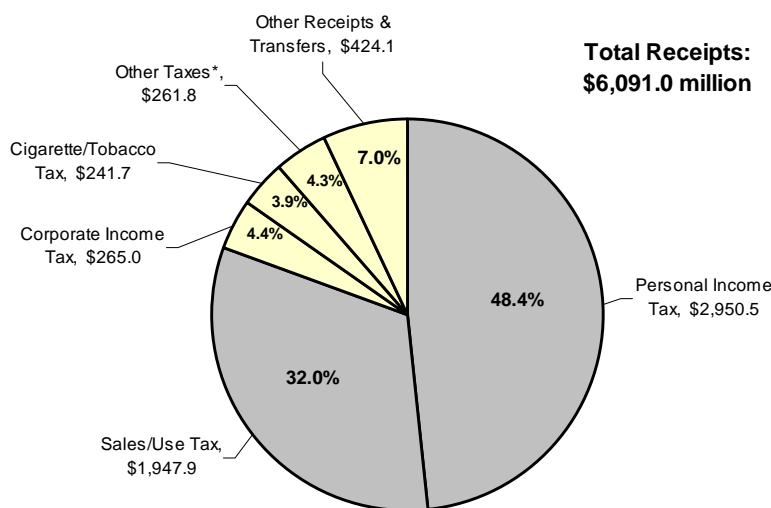
Cumulative repayments to the SLTF through the end of FY 2008 are estimated to total \$183.1 million. Statute requires the payments to continue until a total of \$300.0 million has been repaid to the SLTF.

FY 2009

FY 2009 Budget Outlook

Lawmakers are facing a "budget gap" of \$413.7 million in FY 2009, as projected revenue increases are not enough to offset the projected growth in appropriations. The Revenue Estimating Conference (REC) met in October and established the first revenue estimate for FY 2009 at \$6.091 billion. This represents an increase of \$156.2 million (2.6%) compared to the current estimate for FY 2008. The following chart shows the FY 2009 revenue estimate by category. Personal income tax and sales/use tax comprise approximately 80.0% of the total estimated receipts.

FY 2009 Estimated Gross General Fund Receipts



* Other taxes include: Inheritance, Insurance, Beer, and Franchise Tax.

Iowa law imposes an expenditure limitation of 99.0% on the adjusted revenue estimate. This results in an estimated expenditure limit of \$6.030 billion for FY 2009. The Governor and General Assembly are statutorily required to submit a budget that does not exceed the expenditure limitation. The Governor and General Assembly can change the expenditure limit by proposing changes to taxes and other revenues deposited in the General Fund. All revenues changes have a 95.0% expenditure limit applied to the estimated change.

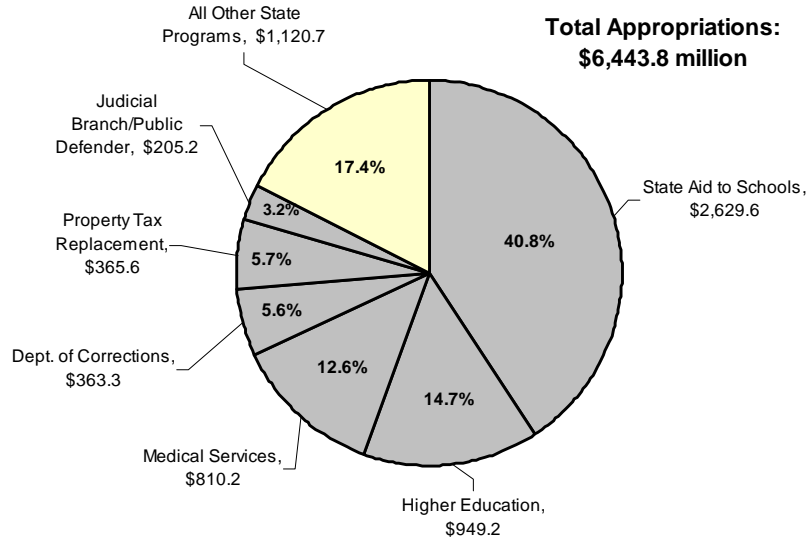
For budget planning purposes, the Fiscal Services Division (FSD) uses the FY 2008 appropriation level of \$5.859 billion as the baseline number for FY 2009. The FSD then estimates the incremental increases over the FY 2008 level to account for the automatic increases established in the Code of Iowa and the anticipated expenditure increases due to enacted policy changes. These incremental changes are referred to as built-in and anticipated expenditures. A detailed listing of the built-in and anticipated appropriation changes can be found in **Appendix B**. The current estimate for the FY 2009 built-in and anticipated expenditures is \$584.4 million. When added to the baseline appropriation of \$5.859 billion (before reversions), the estimated appropriations for FY 2009 total \$6.444 billion. This is \$413.7 million more than the estimated expenditure limitation (also referred to as the “spending gap”).

The spending gap is not intended to be a prediction of an FY 2009 deficit; instead, it is intended to assist lawmakers in measuring the effects of proposed changes to spending and revenue. The REC will meet in December 2007 to review, and possibly revise, the FY 2009 revenue estimate. The FSD will re-examine the built-in and anticipated expenditures to incorporate changes to the estimates based on updated information. As a result, the projected spending gap may change prior to the start of the 2008 Legislative Session.

Based on the above estimates, the General Assembly will need to adjust spending and/or revenues in order to eliminate the \$413.7 million estimated spending gap for FY 2009. The following chart shows the projected General Fund appropriations by category. Approximately 68.1% of the budget funds K-12 schools, higher education, and medical services (Medicaid and hawk-i). Another 14.5% is used to fund

the Department of Corrections, the Judicial Branch/Public Defender, and property tax replacement. All other State agencies and programs make up the remaining 17.4% of the budget.

FY 2009 Projected General Fund Appropriations



Note: The FY 2009 appropriations are estimated by the LSA using the FY 2008 appropriations as the baseline and adding the incremental built-in and anticipated increases to the baseline.

Significant issues surrounding the FY 2009 appropriations process include:

- K-12 Education Spending – Education spending increases totaling \$187.2 million were enacted during the 2007 Legislative Session for FY 2009.
 - Allowable growth is set at 4.0% and is estimated to cost an additional \$89.3 million compared to FY 2008.
 - Senate File 277 (Student Achievement and Teacher Quality Act) provides an additional \$75.0 million for teacher salary-related funding.
 - House File 877 (Statewide Voluntary Preschool Program) increases funding for school districts through the State foundation aid formula for preschool programs by an estimated \$15.3 million for FY 2009.
 - House File 447 (School District Reorganization and Shared Incentives Act) increases funding in FY 2009 by an estimated \$7.6 million for school districts by providing an extension for whole grade sharing supplementary weighting and for school districts and area education agencies that participate in sharing of operational functions.
- Property Tax Credits – A total of \$159.9 million was appropriated from the Property Tax Credit Fund (PTCF) in FY 2008 to fund property tax credits. This included \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008. This represents approximately 82.0% of the cost to fully fund the tax credits in FY 2008. Current estimates indicate a lack of sufficient funds from the FY 2008 surplus to fund the PTCF in FY 2009 at the FY 2008 level. To fund the credits at the FY 2008 level of \$159.9 million, the General Assembly will need to find \$131.9 million in the FY 2009 budget.

Budget Overview

- Collective Bargaining – Funding the second year of the collective bargaining agreement will cost an estimated \$88.4 million in FY 2009.
- Medicaid – Estimated to increase \$45.0 million in FY 2009, a 7.3% increase over the FY 2008 General Fund appropriation.
- IowaCare Funding – Beginning in FY 2009, Iowa will be facing a reduction of \$22.1 million in federal funding that is used to support the IowaCare Program. These funds are used to fund health care – related programs at University of Iowa Hospitals and Clinics and Broadlawns Medical Center in Des Moines.
- Healthy Iowans Tobacco Trust Programs – The Healthy Iowans Tobacco Trust (HITT) Fund receives the bulk of its funding from the Endowment for Iowa’s Health Account. Due to declining revenues in the Endowment for FY 2009, the HITT fund will be approximately \$16.5 million short of being able to fund the various HITT programs at the FY 2008 level.
- Governor’s Directive – The Governor asked State agencies to submit status quo budgets for FY 2009 to help balance the FY 2009 budget. The directive did not apply to standing appropriations, elected officials, or the Legislative and Judicial Branches. In addition, some agencies did not abide by the directive and included increases in the FY 2009 requests.

General Fund Balance Sheet FY 2007 – FY 2009

The following tables show the General Fund balance sheet and the status of the funds that, by statute, receive a portion of the General Fund surplus.

STATE OF IOWA GENERAL FUND

(Dollars in Millions)

	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
<i>Funds Available:</i>			
Receipts and Transfers (Oct. 2007 REC)	\$ 6,206.8	\$ 6,595.5	\$ 6,777.3
Tax Refunds	- 597.9	- 641.8	- 695.0
Accruals	37.4	- 18.9	8.7
<i>Total Funds Available</i>	<u>5,646.3</u>	<u>5,934.8</u>	<u>6,091.0</u>
<i>Expenditure Limitation</i>			<u>6,030.1</u>
<i>Estimated Appropriations and Expenditures:</i>			
Appropriations	5,392.9	5,859.4	5,859.4
Estimated Built-in Increases			584.4
Total Appropriations	<u>5,392.9</u>	<u>5,859.4</u>	<u>6,443.8</u>
Adjustment to meet Expenditure Limitation (<i>Spending Gap</i>)			- 413.7
Total Appropriations	<u>5,392.9</u>	<u>5,859.4</u>	<u>6,030.1</u>
Reversions	- 8.2	- 12.5	- 12.5
<i>Net Appropriations</i>	<u>5,384.7</u>	<u>5,846.9</u>	<u>6,017.6</u>
<i>Ending Balance - Surplus</i>	<u>\$ 261.6</u>	<u>\$ 87.9</u>	<u>\$ 73.4</u>
<i>Appropriations/Transfers to Other Funds</i>			
Property Tax Credit Fund	\$ 131.9	\$ 0.0	\$ 0.0
Senior Living Trust Fund	53.5	44.0	36.7
Regents Allocation	0.0	0.0	0.0
Cash Reserve Fund	76.2	44.0	36.7
<i>Total</i>	<u>\$ 261.6</u>	<u>\$ 87.9</u>	<u>\$ 73.4</u>

Reserve Funds and Senior Living Trust Fund Repayment FY 2007 – FY 2009

The following table shows the current estimates for the State's reserve funds as well as the repayment amounts to the Senior Living Trust Fund (SLTF). The reserve funds are projected to reach their statutory maximum balance of \$609.1 million for FY 2009. This includes \$456.8 million in the Cash Reserve Fund and \$152.3 million in the Economic Emergency Fund. This assumes the reserve funds are not used to fund a portion of the budget gap in FY 2009. The Code of Iowa restricts the use of the reserve funds to non-recurring, emergency expenditures; however, by notwithstanding these Code provisions, the reserve funds have been used to help balance previous General Fund budgets.

Based on current estimates, the SLTF will receive \$44.0 million from the FY 2008 General Fund surplus and an additional \$27.3 million from excess revenue of the Economic Emergency Fund. The total amount that will have been repaid to date is estimated at \$254.4 million. The payments will continue until a total of \$300.0 million in repayments has been reached.

State of Iowa Reserve Funds

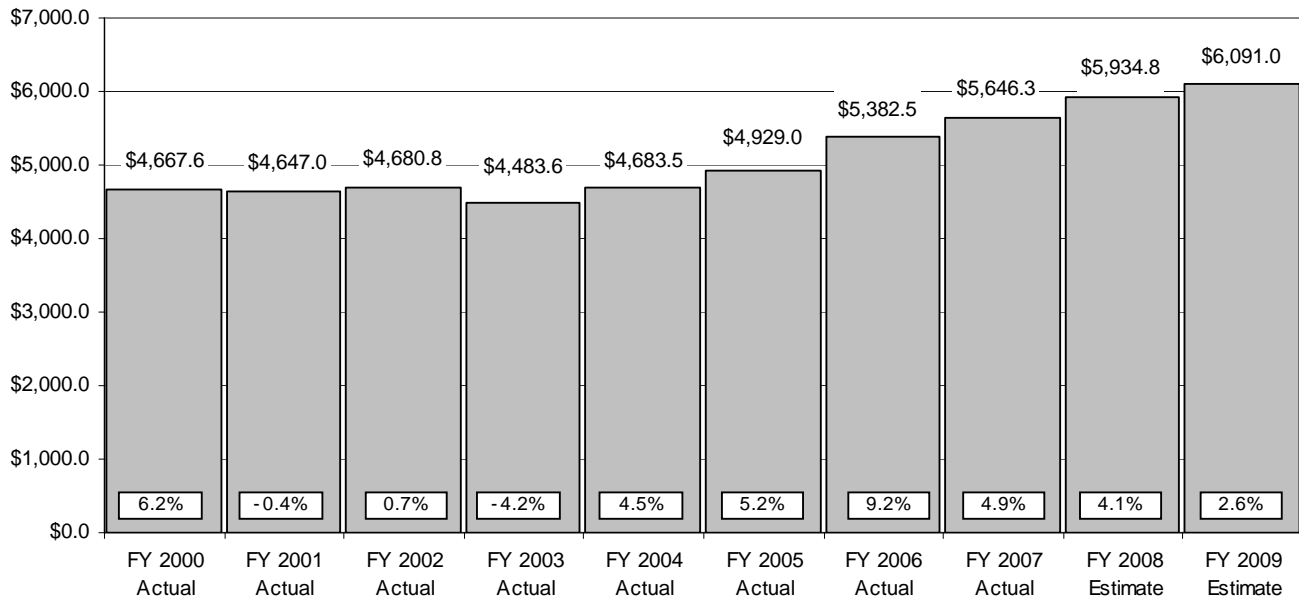
(Dollars in Millions)

	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
Senior Living Trust Fund Requirement			
Balance Brought Forward	\$ 17.8	\$ 110.7	\$ 183.1
Revenues:			
Gen. Fund Appropriation from Surplus	49.9	53.5	44.0
Medicaid Surplus Transfer	12.0	0.0	0.0
Endowment for Iowa's Health Appropriation	25.0	0.0	0.0
Economic Emergency Fund Excess	6.0	18.9	27.3
Cumulative Repayment Balance	<u>\$ 110.7</u>	<u>\$ 183.1</u>	<u>\$ 254.4</u>
<i>Maximum \$300.0 million</i>			
	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
Cash Reserve Fund (CRF)			
Balance Brought Forward	\$ 374.3	\$ 401.3	\$ 444.3
Revenues:			
Gen. Fund Appropriation from Surplus	149.3	76.2	44.0
Total Funds Available	523.6	477.5	488.3
Excess Transferred to EEF	- 122.3	- 33.2	- 31.5
Balance Carried Forward	<u>\$ 401.3</u>	<u>\$ 444.3</u>	<u>\$ 456.8</u>
<i>Maximum 7.5%</i>	<u>\$ 401.3</u>	<u>\$ 444.3</u>	<u>\$ 456.8</u>
	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
Economic Emergency Fund (EEF)			
Balance Brought Forward	\$ 17.5	\$ 133.8	\$ 148.1
Estimated Revenues:			
Excess from Cash Reserve	122.3	33.2	31.5
Total Funds Available	139.8	167.0	179.6
Excess Transferred to SLTF	-6.0	-18.9	-27.3
Balance Carried Forward	<u>\$ 133.8</u>	<u>\$ 148.1</u>	<u>\$ 152.3</u>
<i>Maximum 2.5%</i>	<u>\$ 133.8</u>	<u>\$ 148.1</u>	<u>\$ 152.3</u>

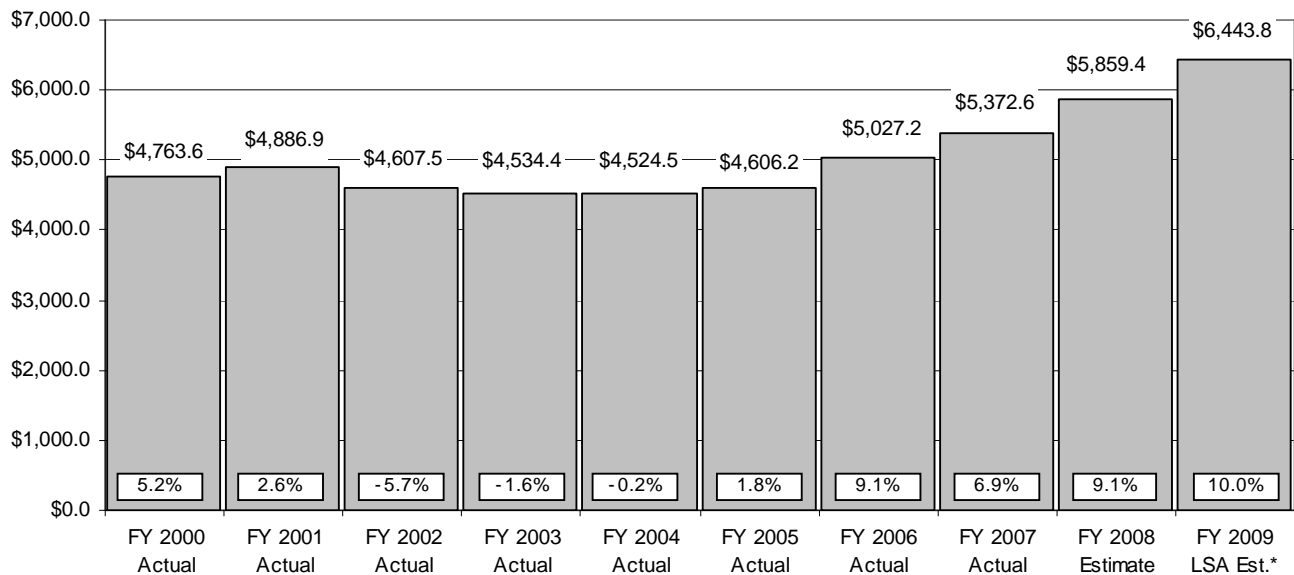
Budget Overview

Historical Trends – General Fund Revenues and Appropriations

State General Fund Receipts (in millions)



State General Fund Appropriations (in millions)



* Note: The FY 2009 appropriations are estimated by the LSA using the FY 2008 appropriations as the baseline and adding the incremental built-in and anticipated increases to the baseline.

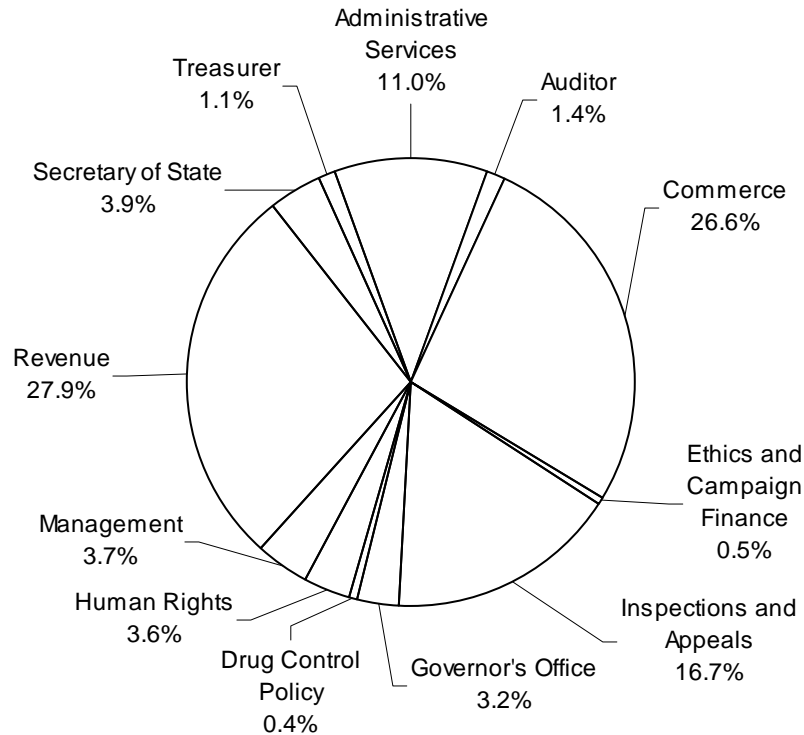
Summary of FY 2009 Department Requests

Departments are requesting a total of \$6.233 billion from the General Fund for FY 2009. This represents an increase of \$373.3 million (6.4%) compared to estimated FY 2008. The Governor gave departments a directive to submit status quo budgets for FY 2009. The directive did not apply to standing appropriations, elected officials, or the Legislative and Judicial Branches of government. In addition, some agencies chose to ignore the directive and included increases in the FY 2009 budgets. The departments also may not have included funding for the built-in and anticipated increases (see **Appendix B**) in their requests. The following table provides a summary of the department requests for FY 2009 by appropriation subcommittee.

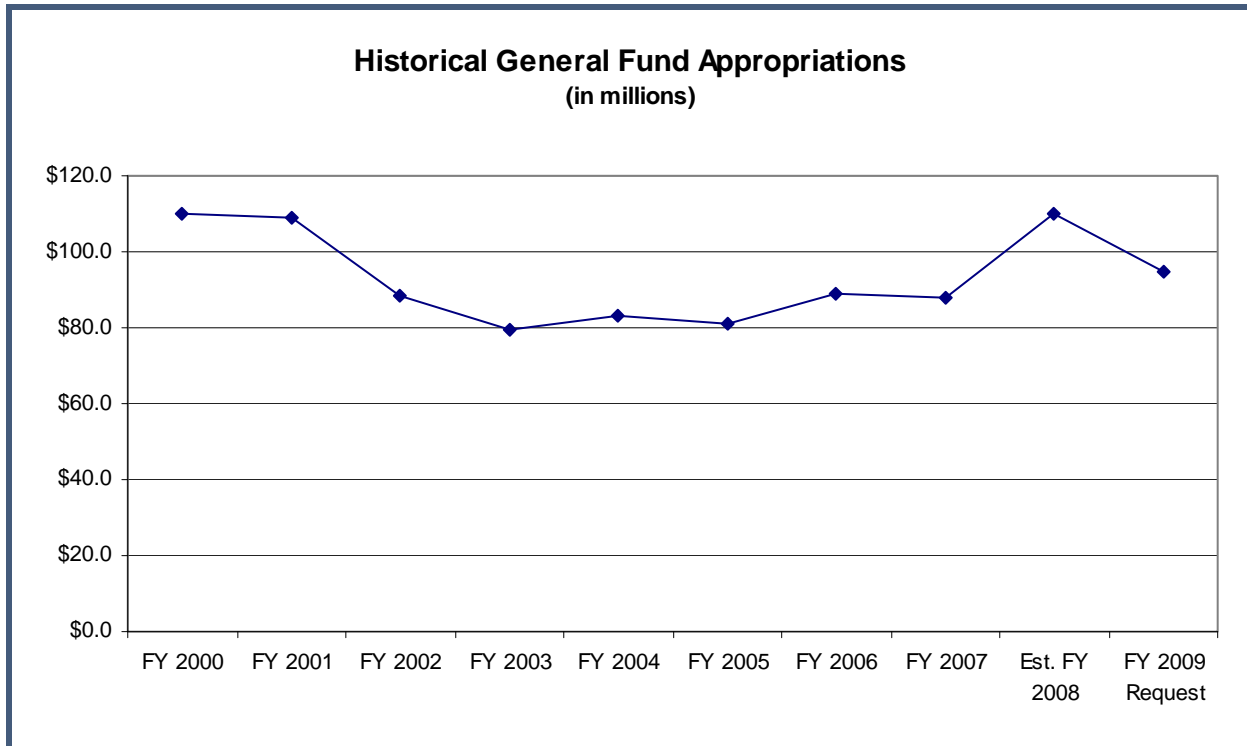
Subcommittee	Est. FY 2008	Dept. Req. FY 2009	FY 2009 vs. FY 2008	Percent Change
Administration & Regulation	\$ 110.2	\$ 94.9	\$ -15.3	-13.9%
Agriculture & Natural Resources	43.6	41.6	-2.0	-4.6%
Economic Development	42.6	72.1	29.5	69.2%
Education	1,182.8	1,335.7	152.9	12.9%
Health & Human Services	1,169.2	1,255.3	86.1	7.4%
Justice System	670.7	680.1	9.4	1.4%
Unassigned Standings	2,640.3	2,753.0	112.7	4.3%
TOTAL	<u>\$ 5,859.4</u>	<u>\$ 6,232.7</u>	<u>\$ 373.3</u>	<u>6.4%</u>

ADMINISTRATION AND REGULATION APPROPRIATIONS SUBCOMMITTEE

FY 2009 General Fund Department Requests



Administrative Services	\$	10,413,986
Auditor		1,348,940
Commerce		25,288,072
Ethics and Campaign Finance		527,122
Inspections and Appeals		15,823,735
Governor's Office		3,087,750
Drug Control Policy		346,731
Human Rights		3,392,186
Management		3,478,337
Revenue		26,472,699
Secretary of State		3,682,081
Treasurer		1,027,970
Total	\$	<u>94,889,609</u>



FY 2009 DEPARTMENT REQUESTS

Department of Administrative Services

Established in 2003 by legislative action, the Department of Administrative Services (DAS) consists of four enterprises that provide infrastructure and facilities services to other agencies of state government. These enterprises include the Information Technology Enterprise (ITE), the General Services Enterprise (GSE), the Human Resources Enterprise (HRE), and the State Accounting Enterprise (SAE).

The Department is requesting FY 2009 General Fund appropriations totaling \$10.4 million. This is no change compared to estimated FY 2008. The Department is not requesting appropriations from other fund sources for FY 2009. This is a decrease of \$2.0 million compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Administrative Services, Dept. of			
Administrative Services, Dept.	\$ 6,469,186	\$ 6,469,186	\$ 0
Utilities	3,824,800	3,824,800	0
Shuttle Service	120,000	120,000	0
Total Administrative Services, Dept. of	\$ 10,413,986	\$ 10,413,986	\$ 0

Issues

I/3 System Funding – The Department received a \$2.0 million appropriation from the RIIF in FY 2008 for increased operating costs associated with the I/3 System. The cost to operate the I/3 System is funded by fees charged to other agencies that use the System. The fees are typically paid from the agencies' General Fund budgets. Had the \$2.0 million appropriation been made from the General Fund, DAS would have allocated the funds to the other state agencies' General Fund appropriations and then billed for the I/3 services. Because the appropriation was from RIIF, the funds could not be allocated to the other agencies' General Fund budgets. In addition, the Department is not requesting the \$2.0 million from RIIF for FY 2009. If an appropriation of \$2.0 million is not provided for the DAS Distribution Account in FY 2009, State agencies will be billed for the additional costs that are currently not included in their FY 2009 budgets.

Purchase of Mercy Capitol Building – In May of 2007, DAS notified the Legislative Services Agency of its intent to purchase the Mercy Capitol Hospital building located in Des Moines. At that time, DAS was in the process of working with the Treasurer of State to arrange financing of the purchase. The Department is currently in negotiations with the building's owner.

Federal Overrecovery – When states work with the federal government to operate programs, the federal government pays a portion of the direct and indirect costs. If the federal government believes that they have paid too much of the costs, it will seek recovery of a share of these costs, levy fines, or halt programming. Currently, the federal government is examining areas of service provided by DAS for costs they believe have been overcharged.

Customer Councils – There are four customer councils within DAS: the General Services Enterprise, the Human Resources Enterprise, the I/3 System, and the Information Technology Enterprise. The councils serve as a communication link between DAS and State agencies that receive services from the Department. The DAS is proposing to consolidate the four councils into a single council.

Human Resources Payroll Implementation – The Department has until June 2008 to decide whether the final phase of the I/3 System will be completed using the current vendor, CGI-AMS of Canada. The final phase will implement the Human Resources/Payroll System improvements. The alternative is to conduct a request for proposals (RFP) to find a new vendor.

Auditor of State

The Auditor's Office provides independent audits of the financial operations of State and local governments. The Office also reviews government activities to help ensure they are conducted in an effective, efficient, and legal manner.

The Auditor is requesting an FY 2009 General Fund appropriation of \$1.3 million. This is an increase of \$100,000 compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Auditor of State</u>			
Auditor of State - General Office	\$ 1,249,178	\$ 1,348,940	\$ 99,762
Total Auditor of State	\$ 1,249,178	\$ 1,348,940	\$ 99,762

The increase will be used to fund the additional workload associated with increased fraud cases and special audit investigations.

Department of Commerce

The Department of Commerce is comprised of five divisions including: the Iowa Alcoholic Beverages Division, the Iowa Division of Banking, the Iowa Credit Union Division, the Iowa Insurance Division, and the Iowa Utilities Board. Each division is responsible for regulation of an industry or group of industries. Each division's budget is prepared independently and then combined with the other divisions' budgets for submission to the Governor and General Assembly for approval.

The Department is requesting FY 2009 General Fund appropriations totaling \$25.3 million. This is a decrease of \$40,000 compared to estimated FY 2008. The Department is also requesting an FY 2009 other fund appropriation of \$62,000. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Commerce, Department of</u>			
Alcoholic Beverages Operations	\$ 2,079,509	\$ 2,079,509	\$ 0
Banking Division	8,200,316	8,200,316	0
Professional Licensing Bureau	945,982	945,982	0
Credit Union Division	1,671,740	1,631,740	-40,000
Insurance Division	4,857,123	4,857,123	0
Utilities Division	7,573,402	7,573,402	0
Total Commerce, Department of	\$ 25,328,072	\$ 25,288,072	\$ -40,000

The Credit Union Division received a one-time appropriation from the General Fund of \$40,000 for FY 2008 for a document imaging system and a new database server.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Commerce, Department of</u>			
Professional Licensing and Regulation			
Real Estate Trust Account Audit	\$ 62,317	\$ 62,317	\$ 0
Total Commerce, Department of	\$ 62,317	\$ 62,317	\$ 0

Issues

Iowa Utility Board's (IUB) High Efficiency Building – In 2006, the Board received authorization to construct an energy efficient building that will house IUB as well as the Office of Consumer Advocate. The Board was also authorized to work with the Treasurer of State to arrange financing for the building through the issuance of bonds. It is anticipated that the bonds will be backed by fees that the IUB charges for services. The building will be located at the southwest corner of the Court Avenue and East 14th Street intersection. The building is currently in the design phase.

Ethics and Campaign Disclosure Board

The Iowa Ethics and Campaign Disclosure Board administers the State campaign, lobbying, and ethics laws. The Board also reports on all gifts, bequests, and grants received by an Executive Branch agency other than a Regents university.

The Board is requesting an FY 2009 General Fund appropriation of \$527,000. This is a decrease of \$5,000 compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Ethics and Campaign Disclosure</u>			
Ethics & Campaign Disclosure Board	\$ 532,122	\$ 527,122	\$ -5,000
Total Ethics and Campaign Disclosure	\$ 532,122	\$ 527,122	\$ -5,000

The decrease of \$5,000 is to reflect the decreased costs of equipment maintenance supplies, printing and binding, ITS reimbursements, and IT equipment.

Issues

Executive Branch Web Reporting System – The Board is currently working on a web-based reporting system for the Executive Branch lobbyist and client programs. The project is currently experiencing delays and is at risk of missing the January 19, 2008, disclosure filing deadline.

Department of Inspections and Appeals

The Department of Inspections and Appeals (DIA) is a regulatory agency charged with protecting the health, safety, and well-being of Iowans. The Department consists of four major divisions: the Administration Division, the Administrative Hearings Division, the Health Facilities Division, and the Investigations Division. The Department also includes five administrative units including, the Child Advocacy Board, the Employment Appeal Board, the Hospital Licensing Board, the Iowa Racing and Gaming Commission, and the State Public Defender.

The Department is requesting FY 2009 General Fund appropriations totaling \$15.8 million. This is no change compared to estimated FY 2008. The Department is also requesting FY 2009 other fund appropriations totaling \$2.8 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Inspections & Appeals, Department of</u>			
Inspections & Appeals, Department of			
Administration Division	\$ 2,209,075	\$ 2,209,075	\$ 0
Administrative Hearings Division	708,962	708,962	0
Investigations Division	1,599,591	1,599,591	0
Health Facilities Division	2,498,437	2,498,437	0
Employment Appeal Board	58,117	58,117	0
Child Advocacy Board	2,751,058	2,751,058	0
Total Inspections & Appeals, Department of	\$ 9,825,240	\$ 9,825,240	\$ 0
<u>Racing Commission</u>			
Pari-Mutuel Regulation	\$ 2,790,551	\$ 2,827,266	\$ 36,715
Riverboat Regulation	3,207,944	3,171,229	-36,715
Total Racing Commission	\$ 5,998,495	\$ 5,998,495	\$ 0
Total Inspections & Appeals, Department of	\$ 15,823,735	\$ 15,823,735	\$ 0

Due to the increase in the number of riverboat establishments in the State, the Iowa Racing and Gaming Commission received approval during the 2006 Legislative Session to move one FTE position from Pari-Mutuel Regulation to Riverboat Regulation.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Inspections & Appeals, Department of</u>			
DIA-Use Tax	\$ 1,623,897	\$ 1,623,897	\$ 0
DIA-Asst Living/Adult Day Care	1,183,303	1,183,303	0
Total Inspections & Appeals, Department of	\$ 2,807,200	\$ 2,807,200	\$ 0

Office of Governor and Lieutenant Governor

The Governor's Office is responsible for managing the Executive Branch and implementing policies and programs in accordance with State law.

The Office is requesting FY 2009 General Fund appropriations totaling \$3.1 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Governor</u>			
Governor/Lt. Governor's Office	\$ 2,224,462	\$ 2,224,462	\$ 0
Terrace Hill Quarters	492,593	492,593	0
Administrative Rules Coordinator	158,873	158,873	0
National Governor's Association	80,600	80,600	0
State-Federal Relations	131,222	131,222	0
Total Governor	\$ 3,087,750	\$ 3,087,750	\$ 0

Governor's Office of Drug Control Policy

The Governor's Office of Drug Control Policy (GODCP) coordinates agencies and stakeholders involved with drug enforcement and substance abuse treatment and prevention. The Office creates the drug control policy and strategy for the State and identifies, pursues, and administers federal and other grants.

The GODCP is requesting FY 2009 General Fund appropriations totaling \$347,000. This is a decrease of \$1.4 million compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Governor's Office of Drug Control Policy</u>			
Drug Policy Coordinator	\$ 346,731	\$ 346,731	\$ 0
Drug Task Forces	1,400,000	0	-1,400,000
Total Governor's Office of Drug Control Policy	\$ 1,746,731	\$ 346,731	\$ -1,400,000

The decrease of \$1.4 million reflects a one-time General Fund appropriation received in FY 2008 to support drug task forces across the State. These costs were previously funded with federal funds. The GODCP will be reverting approximately \$300,000 of this appropriation to the General Fund at the end of FY 2008 unless legislation is enacted redirecting the funds for other purposes. Funding for the drug task forces in FY 2009 is contingent on the receipt of federal funds.

Issues

A Real-Time Pseudoephedrine Tracking System – In 2007, HF 771 (Advisory Services Sales Tax Exemption) and HF 852 (Pseudoephedrine Sales and Tracking) proposed the creation of a real-time pseudoephedrine tracking system. Once a consumer has reached the daily or monthly limit of pseudoephedrine, the sales record is flagged providing notification to other pharmacies to deny the next sale. The GODCP estimates initial start-up costs at \$200,000 with an additional cost of \$30,000 per year to maintain operations of the system. These costs are not included in the Department's FY 2009 budget request.

State and Local Drug Task Forces – Federal appropriations for FFY 2009 may not be sufficient for State and local Drug Task Forces to continue current operations in many areas of Iowa. The Department received a one-time appropriation of \$1.4 million for FY 2008 to offset a reduction in federal funding.

Department of Human Rights

The Iowa Department of Human Rights is comprised of seven divisions, one commission, and an administrative support unit. The Divisions include: the Division on the Status of African Americans, the Commission on the Status of Asian and Pacific Islanders, the Division of Latino Affairs, the Division of Persons with Disabilities, the Division on the Status of Women, the Division of Deaf Services, the Division of Community Action Agencies, and the Division of Criminal and Juvenile Justice Planning. The divisions promote self-sufficiency of their constituency population by providing training, developing strong partnerships, and advocating on their behalf.

The Department is requesting FY 2009 General Fund appropriations totaling \$3.4 million. This is a decrease of \$215,000 compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Human Rights, Department of</u>			
Human Rights Administration	\$ 356,535	\$ 341,535	\$ -15,000
Deaf Services	413,700	413,700	0
Asian and Pacific Islanders	127,093	127,093	0
Persons with Disabilities	206,221	206,221	0
Latino Affairs	191,035	191,035	0
Status of Women	353,203	353,203	0
Status of African Americans	372,066	172,066	-200,000
Criminal & Juvenile Justice	1,587,333	1,587,333	0
Total Human Rights, Department of	\$ 3,607,186	\$ 3,392,186	\$ -215,000

The decreases reflect one-time appropriations received in FY 2008 that are not being requested for FY 2009.

Issues

Abraham Lincoln Bicentennial Commission – House File 826 (Abraham Lincoln Bicentennial Commission) established the Commission under the Department of Human Rights. The Commission is responsible for planning, coordinating, and administering activities and programs relating to the commemoration of the bicentennial of the birth of Abraham Lincoln in 2009.

Division on the Status of African Americans – House File 874 (FY 2008 Administration and Regulation Appropriations Act) appropriated \$200,000 to the Division on the Status of African Americans for various statewide projects and programs.

Family Development and Self-Sufficiency – See Education Appropriations Subcommittee, “Iowa Empowerment Board – Fiscal Accountability Work Group,” for information on a current issue involving the Department of Human Rights.

Department of Management

The Department of Management (DOM) is the planning and budgeting agency within the Executive Branch. The director of the Department serves as the Governor’s chief financial advisor.

The Department is requesting FY 2009 General Fund appropriations totaling \$3.5 million. This is a decrease of \$13.9 million compared to estimated FY 2008. The Department is also requesting FY 2009 other fund appropriations totaling \$56,000. This is a decrease of \$4.0 million compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Management, Department of</u>			
Department Operations	\$ 3,178,337	\$ 3,178,337	\$ 0
Salary Adjustment Fund	13,937,263	0	-13,937,263
Local Government Innovation Fund	300,000	300,000	0
Total Management, Department of	\$ 17,415,600	\$ 3,478,337	\$ -13,937,263

The Department was appropriated a total of \$106.8 million from the General Fund in FY 2008 for deposit in the Salary Adjustment Fund; however, only \$92.9 million was needed to fund the FY 2008 salary increases for State employees. The \$13.9 million decrease reflected in the table above is the excess funding that was not allocated for salaries FY 2008. The funds will revert back to the General Fund at the end of FY 2008, unless legislation is enacted redirecting the funds for other purposes.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Management, Department of			
Road Use Tax Salary Adjustment	\$ 957,279	\$ 0	\$ -957,279
Primary Road Salary Adjustment	3,060,049	0	-3,060,049
DOM Road Use Tax Fund Appropriation	56,000	56,000	0
Total Management, Department of	\$ 4,073,328	\$ 56,000	\$ -4,017,328

The Department was appropriated a total of \$14.1 million from the Road Use Tax Fund and the Primary Road Fund for deposit in the Salary Adjustment Fund; however, only \$10.1 million was needed to fund the FY 2008 salary increases for State employees. The \$3.1 million and \$957,000 decreases in the table above reflect the excess funding that was not allocated for salaries FY 2008. These funds will revert at the end of FY 2008, unless legislation is enacted redirecting the funds for other purposes.

Department of Revenue

The Department of Revenue is comprised of six divisions, including: Taxpayer Services and Policy, Compliance, Property Tax, Revenue Operations, Technology and Information Management, and Internal Services. The Department of Revenue collects all taxes in Iowa that are required by law. The Department also provides taxpayers with information that supports tax filing and payments.

The Department is requesting FY 2009 General Fund appropriations totaling \$26.5 million. This is a decrease of \$150,000 compared to estimated FY 2008. The Department is also requesting an FY 2009 other fund appropriation of \$1.3 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Revenue, Dept. of			
Revenue, Department of	\$ 26,472,699	\$ 26,472,699	\$ 0
Tax Amnesty-Auditing and Enforcement	150,000	0	-150,000
Total Revenue, Dept. of	\$ 26,622,699	\$ 26,472,699	\$ -150,000

The decrease of \$150,000 reflects a one-time appropriation for FY 2008 for the Tax Amnesty Program for increased auditing and enforcement.

Other Fund Request

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Revenue, Dept. of			
Motor Vehicle Fuel Tax-Admin.	\$ 1,305,775	\$ 1,305,775	\$ 0
Total Revenue, Dept. of	\$ 1,305,775	\$ 1,305,775	\$ 0

Issues

Streamlined Sales Tax Project (SSTP) – SSTP is a national initiative of state and local governments and private sector business and organizations to address the complexities of the different sales tax laws from state to state. Iowa is currently one of 43 states participating in the project.

Secretary of State

The Secretary of State is responsible for filing documents such as Uniform Commercial Code (UCC) financing statements, trademarks, business entity documents, and other statutorily required special filings. The Office also coordinates and supervises elections, and maintains and operates the voter registration program.

The Secretary of State is requesting FY 2009 General Fund appropriations totaling \$3.7 million. This is an increase of \$300,000 compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Secretary of State</u>			
Admin/Elections/Voter Reg	\$ 1,370,063	\$ 1,670,063	\$ 300,000
Secretary of State-Business Services	2,012,018	2,012,018	0
Total Secretary of State	\$ 3,382,081	\$ 3,682,081	\$ 300,000

The \$300,000 will be used to cover the increased cost of postage and the oversight of elections and the statewide voter registration system.

Issues

Voting Machines – Senate File 369 (Voting Machines, Verified Paper Trail Act) was enacted on May 25, 2007, and makes numerous changes to the types of voting machines and optical scan voting systems that are used at the local level. These include:

- Requires counties that are replacing voting machines to replace them with an optical scan voting system.
- Requires all elections held on or after November 4, 2008, to utilize voting machines that provide a paper record for review by the voter at the polling place, and that any county using an optical scan voting system conduct absentee voting by use of such a system.
- Requires accommodations for disabled voters.

Currently, only 21 counties have an optical scan system with electronic ballot marking devices for all precincts. The estimated cost to the other 78 counties that do not have paper trail capability is estimated to range between \$1.1 million and \$9.0 million. If the existing voting equipment is retrofitted, the cost is estimated to be \$1.1 million. If the all machines are changed to an optical scan system with ballot marking devices, the estimated cost is \$9.0 million. As of November 5, 2007, none of the \$2.0 million

appropriated for voting machine replacement has been expended. The Secretary of State's Office is uncertain whether or not additional federal law changes will be enacted early next year that may conflict with the requirements enacted in SF 369.

Treasurer of State

The Treasurer of State provides financial services to the State of Iowa by maintaining records of the receipts and disbursements in the State treasury. The Treasurer is responsible for reporting the bonding activities of all political subdivisions and agencies, and makes recommendations to the General Assembly and the Governor on modifications to the bonding authority.

The Treasurer is requesting FY 2009 General Fund appropriations totaling \$1.0 million for operation of the Office. The Treasurer is also requesting an FY 2009 Road Use Tax Fund appropriation of \$93,000 to fund I/3 budget system expenses. These requests represent no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Treasurer of State</u>			
Treasurer - General Office	\$ 1,027,970	\$ 1,027,970	\$ 0
Total Treasurer of State	\$ 1,027,970	\$ 1,027,970	\$ 0

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Treasurer of State</u>			
I-3 Expenses - RUTF	\$ 93,148	\$ 93,148	\$ 0
Total Treasurer of State	\$ 93,148	\$ 93,148	\$ 0

Iowa Public Employees Retirement System

The Iowa Public Employees' Retirement System (IPERS) administers the retirement benefits for many of Iowa's public employees. Iowa's public employers use IPERS benefits to attract and retain qualified public personnel in public service. The benefits help public employees care for themselves during retirement.

The IPERS is requesting an appropriation of \$17.3 million from the IPERS Trust Fund for FY 2009. This is an increase of \$28,000 compared to estimated FY 2008, to cover additional DAS I/3 budget system expenses.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>IPERS Administration</u>			
IPERS Administration	\$ 17,285,466	\$ 17,313,766	\$ 28,300
Total IPERS Administration	\$ 17,285,466	\$ 17,313,766	\$ 28,300

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS**Energy Efficiency Study Committee**

The Energy Efficiency Study Committee met on October 18, 2007. The Committee received information related to the Iowa Utilities Board (IUB) requirements and oversight of the utilities' current energy efficiency efforts; energy reduction technology; energy efficient buildings and construction concepts; and energy efficiency financing and investment. The Committee members agreed to make the following recommendations to the General Assembly:

- Set energy efficiency goal of 1.5% per capita per year.
- Provide tax incentives for the construction and rehabilitation of green buildings.
- Provide basic energy efficiency services statewide so they are available for all Iowa families and businesses.
- Improve compliance with State building energy code.
- Encourage green building construction and renovation.
- Low-income energy efficiency efforts.
- Encourage the Iowa Power Fund to invest in energy efficiency.
- Integrated planning with energy efficiency (Minnesota model) including Renewable Energy Certificates (REC) and Municipalities.
- Third party administration pilot project.
- Energy efficiency summit – promote statewide sharing of programs and cooperation.
- Advisory council on energy efficiency for the Office of Energy Independence.
- Require economic impact assessment of energy efficiency programs.
- Better consumer education.
- Continue to study load management.
- Easier implementation of energy efficiency programs for customers, including list of available contractors.
- The Committee was unable to discuss the following ideas in committee but recommend their consideration:
 - Transportation efficiency improvements.

- Promote cogeneration of electricity to improve energy efficiency in electrical production.
- Promote better workforce training to improve energy efficiency.

Additional information is available on the web site at

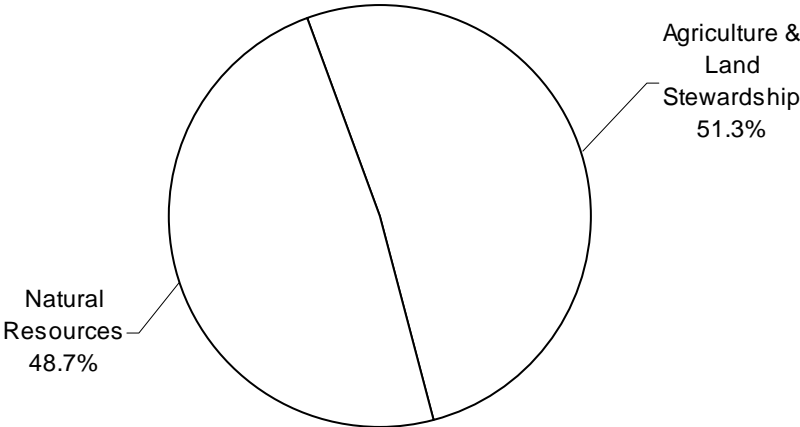
<http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=217>.

Public Retirement Systems Committee

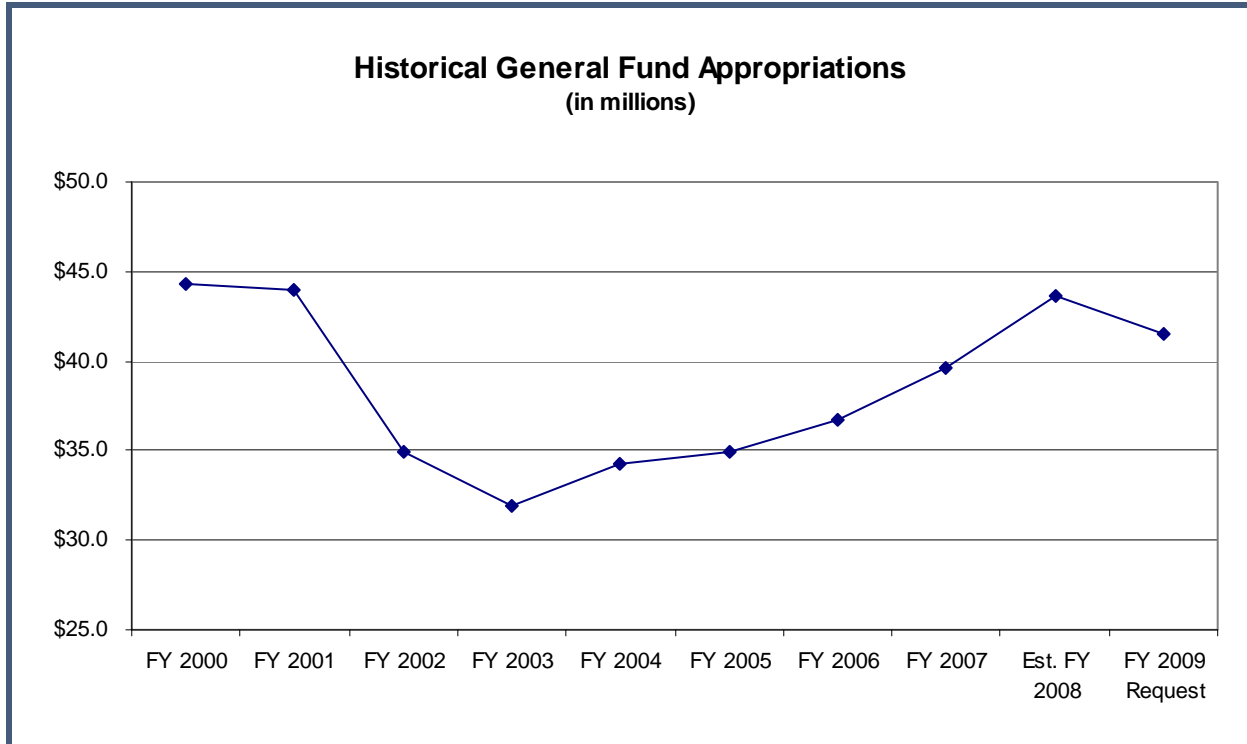
The Public Retirement Systems Committee met on October 31 and November 1, 2007. The Committee received information related to the status of the various retirement systems of public employees in Iowa including the Iowa Public Employees' Retirement System (IPERS). The third and final meeting of the Committee is scheduled for December 7, 2007. The Committee has yet to reach conclusions or make recommendations. See **Appendix F** for a summary of public retirement systems in Iowa.

**AGRICULTURE AND NATURAL RESOURCES
APPROPRIATIONS SUBCOMMITTEE**

FY 2009 General Fund Department Requests



Agriculture & Land Stewardship	\$	21,314,509
Natural Resources		<u>20,244,822</u>
	\$	<u><u>41,559,331</u></u>



FY 2009 DEPARTMENT REQUESTS

Department of Agriculture and Land Stewardship

The Department of Agriculture and Land Stewardship (DALs) was created in 1923 to oversee agriculture in the State. Land stewardship functions were added in 1986. The Department has two operating divisions: the Consumer Protection and Industry Services Division and the Soil Conservation Division.

The Department is requesting FY 2009 General Fund appropriations totaling \$21.3 million. This is a decrease of \$10,000 compared to estimated FY 2008. The Department is also requesting FY 2009 other fund appropriations totaling \$16.7 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Agriculture and Land Stewardship</u>			
Administrative Division	\$ 19,278,172	\$ 19,278,172	\$ 0
Chronic Wasting Disease	100,000	100,000	0
Regulatory Dairy Products	951,666	951,666	0
Avian Influenza	50,000	50,000	0

Agriculture and Natural Resources Appropriations Subcommittee

	<u>Estimated FY 2008</u>	<u>Dept Request FY 2009</u>	<u>FY 2009 vs. FY 2008</u>
<u>Agriculture and Land Stewardship, cont.</u>			
Apiary Program	40,000	40,000	0
Soil Commissioners Expense	250,000	250,000	0
Sr. Farmers Market Program	77,000	77,000	0
Gypsy Moth Control - GF	50,000	50,000	0
Emerald Ash Borer Public Awareness Project	50,000	50,000	0
Emergency Veterinarian Rapid Response Services	130,000	130,000	0
Organic Agricultural Products	54,671	54,671	0
Grape & Wine Development Fund	283,000	283,000	0
IA Jr. Angus Program	10,000	0	-10,000
Total Agriculture and Land Stewardship	\$ 21,324,509	\$ 21,314,509	\$ -10,000

The request reflects a decrease of \$10,000 for the Iowa Junior Angus Program. The Department did not request funding for the Program.

Other Fund Requests

	<u>Estimated FY 2008</u>	<u>Dept Request FY 2009</u>	<u>FY 2009 vs. FY 2008</u>
<u>Agriculture and Land Stewardship</u>			
Agriculture and Land Stewardship			
Native Horse and Dog Program	\$ 305,516	\$ 305,516	\$ 0
Open Feedlots Research Project	50,000	50,000	0
Conservation Reserve Enhance-EFF	1,500,000	1,500,000	0
Watershed Protection Fund-EFF	2,550,000	2,550,000	0
Farm Management Demo.-EFF	850,000	850,000	0
Agricultural Drainage Wells-EFF	1,480,000	1,480,000	0
Cost Share-EFF	7,000,000	7,000,000	0
Conservation Reserve Prog.-EFF	1,500,000	1,500,000	0
So. Iowa Conservation & Dev. Authority-EFF	300,000	300,000	0
Motor Fuel Inspection	300,000	300,000	0
Flood Prevention Study-EFF	150,000	150,000	0
Farm to School Program-EFF	80,000	80,000	0
State Apiarist Program-EFF	40,000	40,000	0
Total Agriculture and Land Stewardship	\$ 16,105,516	\$ 16,105,516	\$ 0
Loess Hills Development & Conservation Authority			
Loess Hills-EFF	\$ 580,000	\$ 580,000	\$ 0
Total Agriculture and Land Stewardship	\$ 16,685,516	\$ 16,685,516	\$ 0

Issues

Ethanol Testing – House File 2759 (FY 2007 Renewable Fuels Infrastructure Act) created the Renewable Fuel Infrastructure Fund in the State Treasurer’s Office. Funding was provided from the Grow Iowa Values Fund. For FY 2007 and FY 2008, the DALS received \$300,000 to screen and test motor fuels at production plants, to test motor fuel sold at dealerships, and to inspect and audit motor fuel production at processing plants. The DALS is requesting \$300,000 for FY 2009 to maintain the testing program.

Avian Influenza – Avian Influenza, or bird flu, is a viral illness that can infect a variety of animals, including birds and pigs. Although the disease is spread through the wild bird population, poultry can be infected and are more susceptible to illness when exposed. There have been no cases of Avian Influenza reported in the United States. The DALs is requesting \$50,000 from the General Fund for FY 2009 to maintain the current detection program.

Emerald Ash Borer – The Emerald Ash Borer is an insect belonging to a group of metallic wood boring beetles. These insects kill weakened trees as part of the natural nutrient recycling scheme. However, the Emerald Ash Borer will vigorously kill growing or weakened ash trees. Although this insect has not been detected in Iowa, the insect was detected in northeast Illinois this past summer and 18 Illinois counties are under quarantine. Movement of the emerald ash borer occurs when people transport infested nursery stock, firewood, and logs to uninfested areas. The DALs is requesting \$50,000 from the General Fund for FY 2009 to maintain the current education program.

Weights and Measures Trucks – The DALs is requesting \$555,000 from the Rebuild Iowa Infrastructure Fund (RIIF) to replace three scale test trucks and related equipment in the Weights and Measures Bureau. Two trucks were purchased in 1992 and the other in 1996. The Transportation, Infrastructure, and Capitals Appropriations Subcommittee will address this request.

Department of Natural Resources

The Department of Natural Resources (DNR) is responsible for maintaining State parks and forests, protecting the environment, and managing energy, fish, wildlife, and land and water resources in Iowa.

The Department is requesting FY 2009 General Fund appropriations totaling \$20.2 million and FY 2009 other fund appropriations of \$42.1 million. The Department is also requesting \$23.5 million for capital projects for FY 2009. These requests represent no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Natural Resources, Department of</u>			
Natural Resources Operations	\$ 20,244,822	\$ 20,244,822	\$ 0
Total Natural Resources, Department of	\$ 20,244,822	\$ 20,244,822	\$ 0

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Natural Resources, Department of</u>			
Fish & Game-DNR Admin Expenses	\$ 37,626,733	\$ 37,626,733	\$ 0
NPDES Permit Application Processing	700,000	700,000	0
Snowmobile Registration Fees	100,000	100,000	0
UST Administration Match	200,000	200,000	0
GWF-Storage Tanks Study-DNR	100,303	100,303	0
GWF-Household Hazardous Waste-DNR	447,324	447,324	0
GWF-Well Testing Admin 2%-DNR	62,461	62,461	0
GWF-Groundwater Monitoring-DNR	1,686,751	1,686,751	0

	<u>Estimated</u> <u>FY 2008</u>	<u>Dept Request</u> <u>FY 2009</u>	<u>FY 2009 vs.</u> <u>FY 2008</u>
<u>Natural Resources, Department of, cont.</u>			
GWF-Landfill Alternatives-DNR	618,993	618,993	0
GWF-Waste Reduction and Assistance	192,500	192,500	0
GWF-Solid Waste Authorization	50,000	50,000	0
GWF-Geographic Information System	297,500	297,500	0
Total Natural Resources, Department of	\$ 42,082,565	\$ 42,082,565	\$ 0
<u>Natural Resources Capital</u>			
REAP	\$ 15,500,000	\$ 15,500,000	\$ 0
Volunteers and Keepers of Land	100,000	100,000	0
Park Operations & Maintenance	2,470,000	2,470,000	0
GIS Information for Watershed	195,000	195,000	0
Water Quality Monitoring	2,955,000	2,955,000	0
Water Quality Protection	500,000	500,000	0
Air Quality Monitoring- Livestock	235,000	0	-235,000
Animal Feeding Operations	360,000	360,000	0
Air Quality Monitoring - ambient	325,000	560,000	235,000
Database Development	50,000	50,000	0
Floodplain Management/Dam Safety	0	150,000	150,000
State Forester/Ecologist	0	150,000	150,000
Water Quantity	480,000	480,000	0
Resource Conservation and Development	300,000	0	-300,000
Total Natural Resources Capital	\$ 23,470,000	\$ 23,470,000	\$ 0

Changes include:

- A decrease of \$235,000 to reflect elimination of funding for the Livestock Air Quality Monitoring. The study has been completed.
- An increase of \$235,000 for the Ambient Air Quality Monitoring Program.
- A decrease of \$300,000 for the Resource Conservation and Development Program.
- An increase of \$150,000 for a Flood Plain Management and Dam Safety Program.
- An increase of \$150,000 for a State Forester and a State Ecologist.

Issues

Flood Plain Management and Dam Safety Programs – The Flood Plain Management Program is responsible for ensuring that construction of bridges and culverts in urban and rural areas meets the appropriate criteria. Department staff review bridge applications to ensure that Iowa's roads and bridges are safe and passable during flood events. The Dam Safety Program provides regular inspection of dams in Iowa. The State has over 3,000 dams registered on the National Dam Inventory, and over 200 of those are subject to regular inspections. The DNR is requesting \$150,000 from the Environment First Fund for these two programs.

State Forester and State Ecologist – The State of Iowa has designated experts to deal with specific issues of importance to the citizens of Iowa. In the natural resources realm, the State also has a designated State Entomologist, a State Geologist, and a State Weed Commissioner. These positions provide expertise and

deal with important natural resource issues in Iowa. The DNR is requesting \$150,000 from the Environment First Fund for a State Forester and a State Ecologist. The positions would address issues that threaten forest health, endangered species, and natural areas preservation and restoration.

Honey Creek Resort State Park – Honey Creek Resort State Park is located on Rathbun Lake in Appanoose County. The resort offers a broader range of recreational activities and lodging accommodations that includes a lodge, restaurant, conference center, 18-hole golf course, and indoor water park. Although the Honey Creek Premier Destination Park Authority approved \$33.1 million in double tax-exempt revenue bonds during 2006, the DNR will be requesting \$8.0 million for FY 2009 to complete the family cabins and other amenities that were part of the original plan. The Transportation, Infrastructure, and Capitals Appropriations Subcommittee will address this request.

Board of Regents

The Board of Regents oversees the State's three universities, including Iowa State University (ISU). The Veterinary Diagnostic Laboratory at ISU currently receives funding through the Agriculture and Natural Resource Appropriations Subcommittee.

The Board of Regents is not requesting an FY 2009 General Fund appropriation in the Agriculture and Natural Resources Appropriations Subcommittee. This is a decrease of \$2.1 million compared to estimated FY 2008. The funding for the Laboratory resulted from an initiative by several legislators and the Iowa Veterinary Medical Association, and was not requested by ISU.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Regents, Board of</u>			
ISU Veterinary Diagnostic Laboratory	\$ 2,068,706	\$ 0	\$ -2,068,706
Total Regents, Board of	\$ 2,068,706	\$ 0	\$ -2,068,706

Department of Economic Development

The Department of Economic Development (DED) promotes economic development policies and practices that stimulate and sustain Iowa's economic growth and climate and that integrate efforts across public and private sectors. The Agriculture and Natural Resource Appropriations Subcommittee appropriated funds to DED in FY 2008 from the Environment First Fund for Brownfields.

The Department is requesting an FY 2009 appropriation from the Environment First Fund of \$500,000. This is no change compared to estimated FY 2008.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Economic Development, Dept. of</u>			
Env DED Brownfields	\$ 500,000	\$ 500,000	\$ 0
Total Economic Development, Dept. of	\$ 500,000	\$ 500,000	\$ 0

Treasurer of State

The Watershed Improvement Review Board receives funding from the Treasurer of State; however, the activities and the grants awarded by the Board are managed by the DALS, so the funding is appropriated by the Agriculture and Natural Resource Appropriations Subcommittee.

The Treasurer of State is requesting an FY 2009 appropriation from the Endowment for Iowa's Health Account of \$5.0 million. This is no change compared to estimated FY 2008.

Other Fund Requests

	<u>Estimated FY 2008</u>	<u>Dept Request FY 2009</u>	<u>FY 2009 vs. FY 2008</u>
<u>Treasurer of State</u>			
Watershed Protection-Water Quality	\$ 5,000,000	\$ 5,000,000	\$ 0
Total Treasurer of State	\$ 5,000,000	\$ 5,000,000	\$ 0

Environment First Fund

The Environment First Fund was created by the 2000 General Assembly to provide funding for environmental programs. A standing appropriation of \$35.0 million was established for the Fund from the Rebuild Iowa Infrastructure Fund (RIIF). During the 2007 General Assembly, the standing appropriation was increased to \$40.0 million and the Agriculture and Natural Resources Appropriations Subcommittee made recommendations to the General Assembly regarding programs that should receive appropriations from the Fund. The following is a summary of the department requests for FY 2009:

	<u>Estimated FY 2008</u>	<u>Dept Request FY 2009</u>	<u>FY 2009 vs. FY 2008</u>
<u>Dept. of Agriculture and Land Stewardship</u>			
Conservation Reserve Enhancement	\$ 1,500,000	\$ 1,500,000	\$ 0
Watershed Protection Fund	2,550,000	2,550,000	0
Farm Management Demonstration	850,000	850,000	0
Agricultural Drainage Wells	1,480,000	1,480,000	0
Cost Share	7,000,000	7,000,000	0
Conservation Reserve Program	1,500,000	1,500,000	0
So. Iowa Conservation & Dev. Authority	300,000	300,000	0
Loess Hills Authority	580,000	580,000	0
Flood Prevention Study-EFF	150,000	150,000	0
Farm to School Program	80,000	80,000	0
State Apiarist Program	40,000	40,000	0
Total Dept. Agriculture and Land Steward.	\$ 16,030,000	\$ 16,030,000	\$ 0
<u>Dept. of Natural Resources</u>			
REAP	\$ 15,500,000	\$ 15,500,000	\$ 0
Volunteers and Keepers of Land	100,000	100,000	0
Park Operations & Maintenance	2,470,000	2,470,000	0
GIS Information for Watershed	195,000	195,000	0
Water Quality Monitoring	2,955,000	2,955,000	0
Water Quality Protection	500,000	500,000	0

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Dept. of Natural Resources, cont.			
Air Quality Monitoring- Livestock	235,000	0	-235,000
Marine Fuel Tax Projects	0	0	0
Lake Dredging	0	0	0
Tire Reclamation	0	0	0
Animal Feeding Operations	360,000	360,000	0
Air Quality Monitoring - ambient	325,000	560,000	235,000
Database Development	50,000	50,000	0
Floodplain Management/Dam Safety	0	150,000	150,000
State Forester/Ecologist	0	150,000	150,000
Water Quantity	480,000	480,000	0
Resource Conservation and Development	300,000	0	-300,000
Total Dept. of Natural Resources	\$ 23,470,000	\$ 23,470,000	\$ 0
Economic Development, Department of			
Env DED Brownfields	\$ 500,000	\$ 500,000	\$ 0
Total Economic Development, Dept. of	\$ 500,000	\$ 500,000	\$ 0
Total Environment First Fund	\$ 40,000,000	\$ 40,000,000	\$ 0

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Animal Feeding of Distillers Dried Grains Interim Study Committee

The Animal Feeding of Distillers Dried Grains Interim Study Committee met on September 13, 2007, in Des Moines. Senator Rich Olive and Representative John Whitaker were elected as Co-Chairpersons for the Committee. In 2006, 1.6 billion gallons of ethanol were produced in Iowa. The majority of the ethanol plants in Iowa use the dry mill production method. A co-product that results from the production of ethanol using the dry mill method is the distillers dried grain. This grain is purchased by livestock producers as feed rations.

The Committee voted to make the following recommendations to the General Assembly:

- To create and require standardized testing procedures for distillers dried grain.
- To consider increasing funding to Iowa State University to research the effects of using distillers dried grain for animal feedstock.

For additional information, refer to the following web site:

<http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=220>.

Livestock Odor Interim Study Committee

The Livestock Odor Interim Study Committee met on October 24, 2007, in Des Moines. Senator Paul Wood and Representative Wes Whitead were elected as Co-Chairpersons for the Committee. The Committee's charge is to consider additional funding to research cost-effective management practices that will minimize odor at animal feeding operations.

The Interim Study Committee will meet on November 28 to make recommendations to the General Assembly. For more information on the Livestock Odor Interim Study Committee, please refer to the following web site: <http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=213>.

Sustainable Funding For Natural Resources Interim Study Committee

The Sustainable Funding for Iowa's Natural Resources Advisory Committee was created in HF 2797 (FY 2007 Standings Appropriations Act). The purpose of the Committee is to research and recommend funding sources that will provide sustainable funding for natural resource needs in Iowa. The legislation required the Committee to submit a report to the Governor and the General Assembly by January 10, 2007. The Advisory Committee submitted a draft report on January 10, 2007, and a final report on March 1, 2007. The final report stated that \$150.0 million per year would be needed for sustainable natural resources.

During 2007, the Sustainable Funding for Natural Resources Funding Interim Study Committee was appointed by the Legislative Council. Meetings were held on August 13, and November 1 and 2 in Des Moines. Senator Dick Dearden and Representative Paul Bell were elected as Co-Chairpersons for the Committee.

During the August 13 Interim Study Committee meeting, Rich Leopold of the Department of Natural Resources provided background information related to the Advisory Committee and information compiled in the final report. Leopold also discussed two proposals. The first would provide funding of \$30,000 to the Advisory Committee to contract with the Center of Agricultural and Rural Development (CARD) to review and summarize information on sustainable natural resources funding. The second would provide funding of \$3,000 for travel expenditures for speakers to discuss what other states have been implementing for sustainable natural resources was also approved.

During the November 1 and 2 Interim Study Committee meetings, presentations were made on economic benefits, taxation issues, funding mechanisms to raise \$150.0 million per year, and what other states have done for sustainable natural resources. The Interim Study Committee will meet on December 11 to make recommendations to the General Assembly. For more information on the Sustainable Funding for Natural Resources Advisory Committee, refer to the following web site: <http://www.iowadnr.com/sustainablefunding>.

Climate Change Advisory Council

The Climate Change Advisory Council met on October 18, 2007, in Des Moines. The Council was created in SF 485 (Greenhouse Gas Regulations Act). The Council consists of 23 voting members and four nonvoting members. The Council is charged with:

- Developing scenarios to reduce Statewide greenhouse gas emissions while considering cost-effectiveness.
- Establishing a baseline year for purposes of calculating reductions in Statewide greenhouse gas emissions.
- Submitting a proposal to the Governor and General Assembly by January 1, 2008.

The Council will meet on December 12 in Davenport. For more information on the Climate Change Advisory Council, refer to the following web site: <http://www.iowadnr.com/iccac/index.html>.

Watershed Improvement Review Board

The Watershed Improvement Review Program was established during the 2005 Legislative Session in SF 200 (Agriculture Powers, Duties, and Watershed Improvement Act). The legislation also created a Watershed Improvement Review Fund and a Watershed Improvement Review Board. The purpose of the Board is to review applications and award grants for projects that will encourage public participation and input for determining priorities to improve the State's water quality. The following grants have been awarded:

- FY 2006—17 grants totaling \$4.8 million were awarded for projects totaling \$14.0 million.
- FY 2007—16 grants totaling \$4.9 million were awarded for projects totaling \$18.0 million.
- FY 2008—16 grants totaling \$2.7 million were awarded for projects totaling \$10.0 million.

Funding for the Watershed Improvement Review Fund is appropriated to the State Treasurer each year. The State Treasurer is requesting \$5.0 million from the Endowment for Iowa's Health Account for FY 2009 to continue the funding for the Program. For more information on the Watershed Improvement Review Board, refer to the following web site: <http://www.agriculture.state.ia.us/IWIRB.htm>.

Watershed Quality Planning Task Force

The Watershed Quality Planning Task Force was created during the 2007 Legislative Session in SF 2363 (Water Quality Standards Act). The legislation specified that the Task Force must make recommendations to the General Assembly by June 30, 2008, for a voluntary Statewide water quality program. The report date was changed to January 1, 2008, in SF 551 (FY 2008 Agriculture and Natural Resources Appropriations Act). The report will include recommendations that address the following:

- Improving water quality.
- Creating economic incentives for environmental compliance.
- Facilitating implementation efforts.
- Developing quantifiable protocols and procedures.
- Providing greater flexibility through community-based, non-regulatory, performance-driven watershed management planning.

The Task Force met on November 15 and finalized the report. For more information on the Task Force, refer to the following web site: <http://www.iowadnr.com/water/taskforce/index.html>.

Farm-To-School Council

The Farm-To-School Program and the Farm-To-School Council were created in SF 601 (FY 2008 Standings Appropriations Act). The goal of the Program is to link Iowa elementary and secondary public and nonpublic schools with Iowa farms to provide schools with fresh and minimally processed food that will be served for meals and snacks. In addition, the Program is to encourage children to develop healthy eating habits, and provide Iowa farmers access to consumer markets. The Council will consist of seven members representing:

- Iowa School Nutrition Association.
- Iowa Association for Health, Physical Education, Recreation, and Dance.

- One Iowa fruit or vegetable grower.
- One Iowa organic meat producer.
- The director of the Leopold Center or the director's designee.
- The director of the Department of Agriculture and Land Stewardship or their designee.
- The director of the Department of Education or their designee.

The members of the Council were appointed by the Governor on November 8, 2007. A meeting date has not been determined at this time.

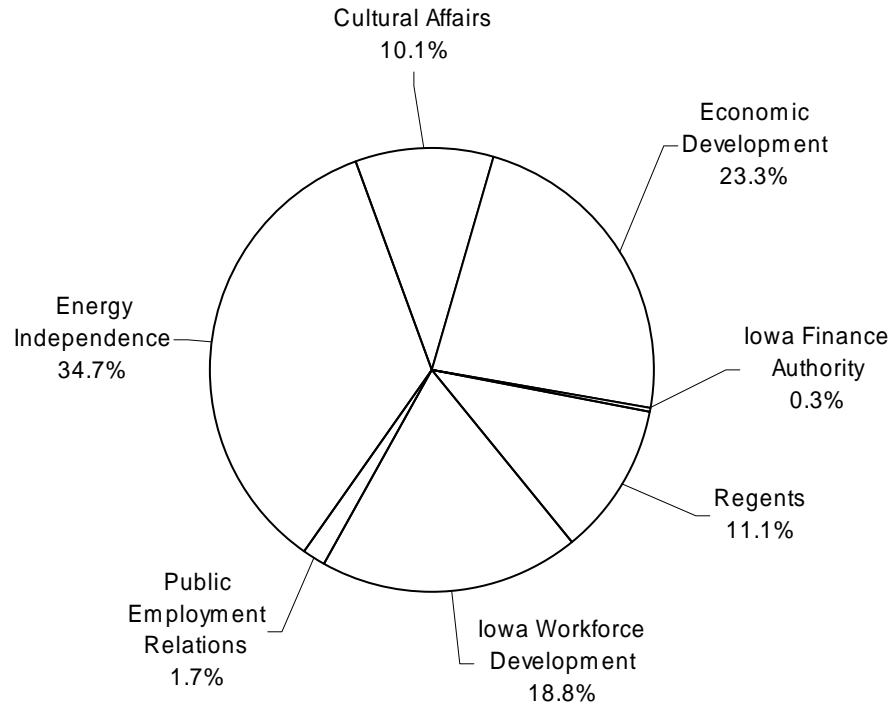
LSA Publications

The following publications have been issued by the LSA that relate to the Agriculture and Land Stewardship Appropriations Subcommittee:

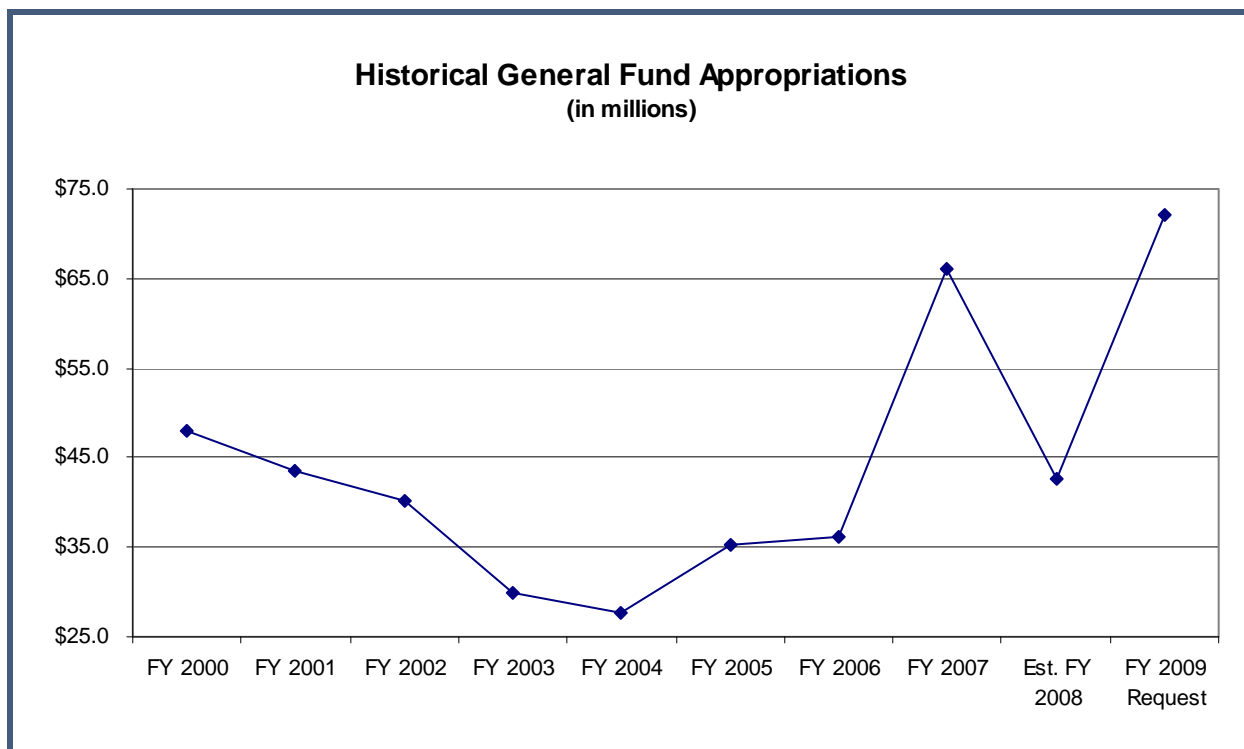
- [Overview of Iowa's Farmer's Markets](#)
- [Help Us Stop Hunger Program](#)

ECONOMIC DEVELOPMENT APPROPRIATIONS SUBCOMMITTEE

FY 2009 General Fund Department Requests



Cultural Affairs	\$ 7,251,397
Economic Development	16,786,341
Iowa Finance Authority	200,000
Regents	8,027,439
Iowa Workforce Development	13,558,076
Public Employment Relations	1,233,283
Energy Independence	25,000,000
	<u>\$ 72,056,536</u>



FY 2009 DEPARTMENT REQUESTS

Department of Cultural Affairs

The Iowa Department of Cultural Affairs provides cultural leadership and direction for the State through the Iowa Arts Council and the State Historical Society of Iowa.

The Department is requesting FY 2009 General Fund appropriations totaling \$7.3 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Cultural Affairs, Department of</u>			
Administration Division	\$ 255,418	\$ 255,418	\$ 0
Community Cultural Grants	299,240	299,240	0
Historical Division	3,763,782	3,763,782	0
Historic Sites	576,395	576,395	0
Arts Division	1,246,392	1,246,392	0
Great Places	322,231	322,231	0
Archiving Former Governor's Papers	82,171	82,171	0

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Cultural Affairs, Department of, cont.			
Records Center Rent	185,768	185,768	0
Community Cultural Grants - AGR	520,000	520,000	0
Total Cultural Affairs, Department of	\$ 7,251,397	\$ 7,251,397	\$ 0

Issues

Iowa Cultural Trust – At any time when the principal balance in the Iowa Cultural Trust Grant Account equals or exceeds \$3.0 million, the Board of Trustees of the Iowa Cultural Trust may use moneys for a Statewide educational program to promote participation in, expanded support of, and local endowment building for, Iowa nonprofit arts, history, and sciences and humanities organizations. The current balance in the Account, as of November 6, 2007, is \$2.5 million.

Department of Economic Development

The main products and services offered by the Iowa Department of Economic Development generally involve business development or community development. The types of products and services in both categories include the following:

- Marketing and promotion to encourage customers and partners to help achieve common development goals.
- Financial assistance to communities and businesses for specific development.
- Technical assistance to communities and community organizations and businesses.

The Department is requesting FY 2009 General Fund appropriations totaling \$16.8 million. This is no change compared to estimated FY 2008. The Department is also requesting FY 2009 other fund appropriations totaling \$54.2 million. This is a decrease of \$3.6 million compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Economic Development, Dept. of</u>			
Economic Dev. Administration	\$ 2,125,661	\$ 2,125,661	\$ 0
Business Development	6,611,963	6,611,964	1
Community Development Division	6,448,716	6,448,716	0
World Food Prize	450,000	450,000	0
Endow Iowa Grants	50,000	50,000	0
Tourism Marketing - AGR	1,100,000	1,100,000	0
Total Economic Development, Dept. of	\$ 16,786,340	\$ 16,786,341	\$ 1

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Economic Development, Dept. of			
Workforce Development Appropriation	\$ 4,000,000	\$ 4,000,000	\$ 0
Renewable Fuels Infrastructure-GIVF	2,000,000	2,000,000	0
Renewable Fuels Infrastructure-UST	3,500,000	0	-3,500,000
DED Programs-GIVF	30,000,000	30,000,000	0
Regents Institutions-GIVF	5,000,000	5,000,000	0
State Parks-GIVF	1,000,000	1,000,000	0
Cultural Trust Fund-GIVF	1,000,000	1,000,000	0
Workforce and Econ. Dev.-GIVF	7,000,000	7,000,000	0
Regional Financial Assistance-GIVF	1,000,000	1,000,000	0
NPDES Elimination System Permits	100,000	0	-100,000
Iowa Comm Volunteer Ser.-HITT	125,000	125,000	0
Endow Iowa Admin - County Endw Fund	70,000	70,000	0
Targeted Industries-GIVF	3,000,000	3,000,000	0
Total Economic Development, Dept. of	\$ 57,795,000	\$ 54,195,000	\$ -3,600,000

Significant other fund decreases include:

- A decrease of \$3.5 million to reflect the expiration of the Renewable Fuels Infrastructure appropriation from the Underground Storage Tank. The funds are being used to provide incentives for the installation of infrastructure for storing and distributing renewable fuels. The appropriation was established in HF 2759 (Renewable Fuels Infrastructure Act) enacted during the 2006 Legislative Session.
- A decrease of \$100,000 from the National Pollutant Discharge Elimination System Permit (NPDES) Fund. The Department of Natural Resources now has an agreement with the Department to fund the environmental advocate that provides NPDES permit assistance to livestock operations.

Issues

Vision Iowa and Community Attraction and Tourism – The Subcommittee may want to review the operation, administration, and current status of the Vision Iowa and Community Attraction and Tourism Programs. The Programs were created to provide financial assistance to communities for the construction of recreational, cultural, educational, or entertainment facilities that enhance the quality of life in Iowa. The projects have taken place in 91 counties and 200 communities. A total of 293 projects have been funded as of September 13, 2007, and \$320.1 million has been invested in projects totaling \$1.661 billion. The Programs have funded approximately 19.3% of the total project costs. As of September 13, 2007, the projects have supported 8,734 temporary construction jobs, and 2,056 permanent jobs have been created, according to project reports. Additional jobs will be created upon the completion of more projects. The LSA is preparing an *Issue Review* in regard to this topic that will be published in the near future.

Iowa Finance Authority

The Iowa Finance Authority (IFA) was created in 1975 to assist in the attainment of housing for low- and moderate-income Iowans. A self-supporting instrumentality of the State, the IFA issues tax-exempt mortgage revenue bonds to support its operation. Over the years, the IFA's duties have been broadened to include Title Guaranty and financing water and wastewater infrastructure projects.

The IFA is requesting an FY 2009 General Fund appropriation of \$200,000. This is no change compared to estimated FY 2008. The IFA is also requesting an FY 2009 other fund appropriation of \$700,000. This is no change compared to estimated FY 2008.

General Fund Request

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Iowa Finance Authority</u>			
Entrepreneurs w/Disability	\$ 200,000	\$ 200,000	\$ 0
Total Iowa Finance Authority	\$ 200,000	\$ 200,000	\$ 0

Other Fund Request

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Iowa Finance Authority</u>			
Rent Subsidy Program-SLTF	\$ 700,000	\$ 700,000	\$ 0
Total Iowa Finance Authority	\$ 700,000	\$ 700,000	\$ 0

Board of Regents

The Economic Development Appropriations Subcommittee appropriates funds to the Board of Regents' universities for the following purposes:

- University of Iowa (SUI) Economic Development appropriation includes Advanced Drug Development, Oakdale Research Park, and Technology Innovation Center.
- Iowa State University (ISU) Economic Development appropriation includes the Institute for Physical Research and Technology, Small Business Development Centers, and ISU Research Park.
- University of Northern Iowa (UNI) Economic Development appropriation includes the Institute for Decision Making, Metal Casting Center, and MyEntrenet.

The Board is requesting FY 2009 General Fund appropriations totaling \$8.0 million. This is an increase of \$4.4 million compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Regents, Board of			
ISU - Economic Development	\$ 2,789,625	\$ 0	\$ -2,789,625
SUI - Economic Development	259,206	0	-259,206
UNI - Economic Development	578,608	0	-578,608
BOR Economic Development	0	8,027,439	8,027,439
Total Regents, Board of	\$ 3,627,439	\$ 8,027,439	\$ 4,400,000

The increase of \$4.4 million is to expand direct service to Iowa entrepreneurs through the Small Business Development Centers; increase the number of projects the Institute for Physical Research and Technology supports; assist start-up companies through the Oakdale Research Park and Technology Innovation Center to commercialize technology discoveries; and increase job creation and retention in rural communities through the Institute for Decision Making.

- Iowa State University – \$6.2 million
- University of Iowa – \$574,000
- University of Northern Iowa – \$1.3 million

Issues

Bioscience, Advanced Manufacturing, and Information Technology – The Subcommittee may want to examine the expenditure of funds appropriated to the Board of Regents to implement initiatives related to the commercialization of bioscience, advanced manufacturing, and information technology. The Regents universities received appropriations totaling \$30.0 million for FY 2006 and FY 2007 to research, develop, and implement initiatives related to bioscience, advanced manufacturing, and information technology. See the LSA's *Issue Review* on this topic at:

<http://www.legis.state.ia.us/lsadocs/IssReview/2008/IRRNR000.PDF>.

Iowa Workforce Development

The Department of Iowa Workforce Development (IWD) strives to improve the income, productivity, and safety of all Iowans. In conjunction with State and local economic development efforts, IWD also assists businesses in fulfilling workforce needs. The IWD major products and services include:

- Workforce Center Services
- Compliance Assistance and Enforcement
- Unemployment Insurance
- Workforce Information and Analysis
- Adjudication, Compliance, and Education
- Resource Management

The IWD is requesting FY 2009 General Fund appropriations totaling \$13.6 million. This is no change compared to estimated FY 2008. The IWD is also requesting FY 2009 other fund appropriations totaling \$6.3 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Iowa Workforce Development			
IWD General Fund - Operations	\$ 6,341,284	\$ 6,341,284	\$ 0
Workforce Development Field Offices	7,216,792	7,216,792	0
Total Iowa Workforce Development	\$ 13,558,076	\$ 13,558,076	\$ 0

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Iowa Workforce Development			
P & I Workers' Comp. Division	\$ 471,000	\$ 471,000	\$ 0
IWD Field Offices (UI Reserve Interest)	5,800,000	5,800,000	0
Total Iowa Workforce Development	\$ 6,271,000	\$ 6,271,000	\$ 0

Issues

Federal Funds – The Subcommittee may want to review the Department's federal funding. The Department has been using approximately \$3.9 million annually from one-time funding sources over the past five years. In addition, employee salary costs have been increasing and federal funding has not increased for the payment of federally-funded employee positions.

Public Employment Relations Board

The Public Employment Relations Board (PERB) is responsible for implementing the provisions of the Public Employment Relations Act (PERA), and for adjudicating and conciliating labor/management disputes involving public employers and employee organizations throughout the State.

The Board is requesting an FY 2009 General Fund appropriation of \$1.2 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Public Employment Relations Board			
PER Board - General Office	\$ 1,233,283	\$ 1,233,283	\$ 0
Total Public Employment Relations Board	\$ 1,233,283	\$ 1,233,283	\$ 0

Office of Energy Independence

The Office of Energy Independence was established in 2007 and provides grants and loans for energy-related development.

The Office is requesting a new FY 2009 General Fund appropriation of \$25.0 million to operate the Office and provide grants and loans for energy-related development. House File 927 (Iowa Power Fund Appropriations Act) established the Iowa Power Fund. The Program was funded with a \$24.7 million FY 2007 supplemental appropriation to be used for FY 2008 costs.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Energy Independence</u>			
Iowa Power Fund	\$ 0	\$ 25,000,000	\$ 25,000,000
Total Energy Independence	\$ 0	\$ 25,000,000	\$ 25,000,000

Issues

Office Operations – The Economic Development Appropriations Subcommittee may wish to review the operations of the new Office.

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Skilled Worker Shortage Interim Study Committee

The Skilled Worker Interim Study Committee met on September 24, October 15, and November 19, 2007. The Committee received information related to the Iowa labor force and the skills needed now and in the future. At the November 19 meeting, the Committee made recommendations to the appropriate committees for review and consideration. The recommendations encourage partnerships with employers, school districts, local governments, and State agencies, to address Iowa's skilled worker shortage. The Committee also recommended that current workforce training and education programs should be reviewed for relevance and effectiveness to determine continuation, modification, or elimination. The full text of the Committee's recommendations is available on the General Assembly's web site at: <http://www.legis.state.ia.us/lsadocs/IntComDoc/2008/IDKBH000.PDF>.

Home-Based Child Care Interim Study Committee

Please refer to the Human Services Appropriations Subcommittee section of this document for information regarding the Home-Based Child Care Interim Study Committee.

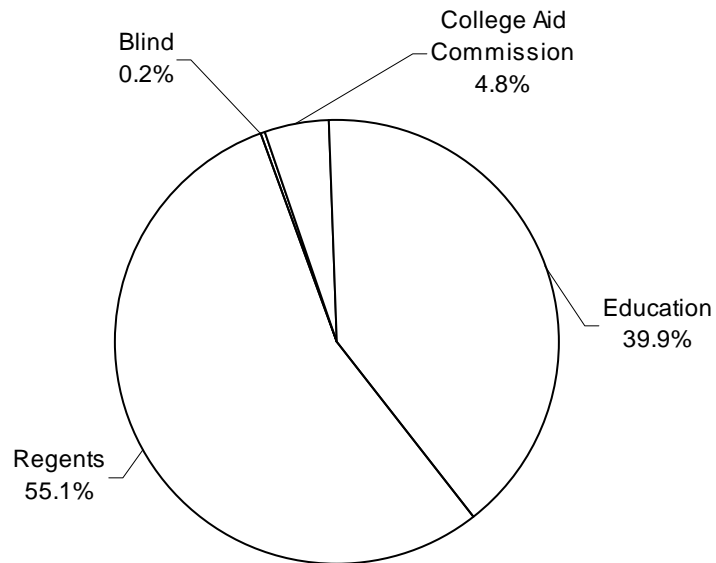
LSA Publications

The following publication related to the Economic Development Appropriations Subcommittee has been issued by the LSA:

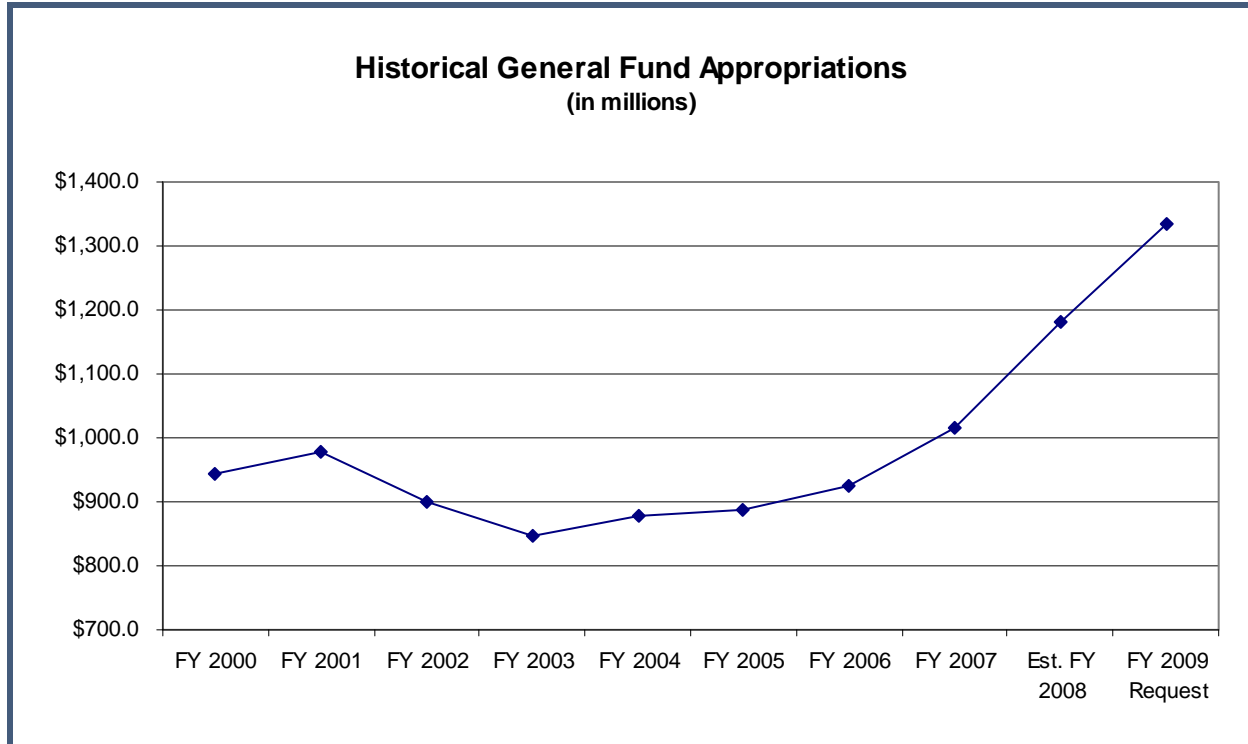
- [Report on Commercialization of Research Appropriations to the Board of Regents](#)

EDUCATION APPROPRIATIONS SUBCOMMITTEE

FY 2009 General Fund Department Requests



Blind	\$ 2,484,953
College Student Aid	64,520,803
Education	533,397,375
Regents	735,306,795
	<u>\$ 1,335,709,926</u>



FY 2009 DEPARTMENT REQUESTS

Department for the Blind

The Department for the Blind provides vocational rehabilitation, independent living skills, library services, and other essential services to blind Iowans. The Department consists of four organizational divisions: Field Operations, Adult Orientation and Adjustment Center, Business Enterprises Program, and Library for the Blind and Physically Handicapped.

The Department is requesting an FY 2009 General Fund appropriation of \$2.5 million. This is no change compared to estimated FY 2008.

General Fund Request

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Blind, Iowa Commission for the</u>			
Department for the Blind	\$ 2,484,953	\$ 2,484,953	\$ 0
Total Blind, Iowa Commission for the	\$ 2,484,953	\$ 2,484,953	\$ 0

College Student Aid Commission

The College Student Aid Commission, under the direction of a 12-member commission, administers a variety of State and federal programs to connect students with resources and services to finance a college education. The Commission offers need-based scholarships, grants, work study, and loans and serves as Iowa's student loan guarantee agency. It provides school and lender services, borrower and collections services, communications services to assist students and families in planning and paying for college, and data collection and management.

The Commission is requesting FY 2009 General Fund appropriations totaling \$64.5 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>College Aid Commission</u>			
College Aid Commission	\$ 390,685	\$ 390,685	\$ 0
Iowa Grants	1,070,976	1,070,976	0
DSM University-Osteopathic Loans	100,000	100,000	0
DSM University-Physician Recruit.	346,451	346,451	0
National Guard Benefits Program	3,800,000	3,800,000	0
Teacher Shortage Forgivable Loan	485,400	485,400	0
All Iowa Opportunity Scholarships	1,500,000	1,500,000	0
Vocational Technical Tuition Grant	2,783,115	2,783,115	0
College Work Study	295,600	295,600	0
Tuition Grant Program-Standing	48,373,718	48,373,718	0
Tuition Grant - For-Profit	5,374,858	5,374,858	0
Total College Aid Commission	\$ 64,520,803	\$ 64,520,803	\$ 0

Issues

All Iowa Scholarship Program – The scholarship program was new in FY 2008 and received appropriations totaling \$1.5 million. Senate File 588 (FY 2008 Education Appropriations Act) appropriated \$1.0 million and specified that \$500,000 was allocated to the All Iowa Opportunity Foster Care Grant Program for students reaching age 18 while still under the supervision of the State. The remaining \$500,000 was allocated to the All Iowa Opportunity Scholarship Program for students performing well in high school and demonstrate financial need. Senate File 601 (FY 2008 Standing Appropriations Act) appropriated an additional \$500,000 to the All Iowa Opportunity Scholarship Program, bringing funding to a level permitting private college and university students to receive grants.

The All Iowa Opportunity Scholarship Program gives priority to students that participated in the federal TRIO Programs, graduated from an alternative high school or alternative high school program, or are homeless. Students enrolled in a four-year institution are eligible for one year of funding. For community college students, the grant is renewable for a second year. The grant is equal to the amount of tuition and fees paid by the student up to the average tuition and fees for the three Board of Regents universities (\$6,269 for the 2007-2008 academic year).

College Student Debt – The 2006 report of the Project on Student Debt ranks Iowa sixth highest nationally for average student debt (\$22,926) upon graduation and second for the percentage of graduates with

student loan debt (74.0%). A survey by the College Student Aid Commission that included all Iowa public and private colleges and universities shows the average debt to be \$24,990 for 72.5% of the 14,372 graduates in 2006. Applying the most affordable level of debt repayment (8.0% of starting salary) recommended by the College Student Aid Commission, only a few highly paid professions can afford the average level of debt. The Government Oversight Committee reviewed this issue during the 2007 interim, and the Committee's documents are available on the web site at http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeFC?idt=true&type=ih&com=41. The LSA has published an *Issue Review* on the topic that is available at <http://www.legis.state.ia.us/lsadocs/IssReview/2008/IRMDf001.PDF>.

Iowa Student Loan Liquidity Corporation – Private loans are generally more costly than government-backed loans when funding a college education. The Subcommittee may want to examine whether the loans offered by Iowa Student Loan provide the best rates among private loans and whether private loans are being over-marketed or misconstrued to be government-backed loans.

Department of Education

The Department of Education oversees K-12 education in Iowa, as well as the community college system. In addition, Department's budget includes early childhood programming, the State Library and local library support, Iowa Public Television (IPTV), and Iowa Vocational Rehabilitation Services (IVRS). Direct aid to local schools is not part of the Subcommittee's budget; for more information, see the Standing Appropriations section of this document.

The Department is requesting FY 2009 General Fund appropriations totaling \$533.4 million. This is an increase of \$87.9 million compared to estimated FY 2008. The Department is also requesting FY 2009 other fund appropriations totaling \$2.5 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Education, Department of</u>			
Education, Department of			
Administration	\$ 8,320,341	\$ 9,370,341	\$ 1,050,000
Administrator Mentoring	250,000	250,000	0
Advanced Placement Belin & Blank Ctr	400,000	0	-400,000
Before/After School Grants	695,000	695,000	0
Data Warehouse	400,000	0	-400,000
District Sharing & Efficiencies	400,000	0	-400,000
Early Child - Comm. Empowerment	23,781,594	23,781,594	0
Early Child - Early Care, Health & Ed.	10,000,000	10,000,000	0
Early Child - Family Support & Parent Ed.	5,000,000	5,000,000	0
Early Child - Voluntary Preschool	15,000,000	15,000,000	0
Early Child - Spec. Ed. Services Birth to 3	1,721,400	1,721,400	0
Early Head Start Pilot Projects	400,000	0	-400,000
Food Service	2,509,683	2,509,683	0
Jobs For America's Grads	600,000	600,000	0
Math & Science Educ Impr Grant Pilots	0	0	0
Model Core Curriculum	0	2,590,000	2,590,000

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Education, Department of, cont.			
Education, Department of, cont.			
Nonpublic Textbook Services	664,165	664,165	0
Project Lead the Way	0	660,000	660,000
Student Achievement Strategies	2,500,000	0	-2,500,000
Student Achievement/Teacher Quality	173,943,894	248,943,894	75,000,000
Vocational Agric. Youth Org	50,000	50,000	0
Vocational Education Administration	576,613	576,613	0
Vocational Education Secondary	2,936,904	2,936,904	0
Community College General Aid	171,962,414	184,866,657	12,904,243
Comm College Interpreters for Deaf	200,000	0	-200,000
Community College Salaries	2,000,000	2,000,000	0
State Library	1,879,827	1,879,827	0
State Library - Enrich Iowa	1,823,432	1,823,432	0
State Library - Library Service Areas	1,586,000	1,586,000	0
Total Education, Department of	\$ 429,601,267	\$ 517,505,510	\$ 87,904,243
Iowa Public Television			
Iowa Public Television	\$ 8,804,620	\$ 8,804,620	\$ 0
Regional Telecom. Councils	1,364,525	1,364,525	0
Total Iowa Public Television	\$ 10,169,145	\$ 10,169,145	\$ 0
Vocational Rehabilitation			
Vocational Rehabilitation	\$ 5,667,575	\$ 5,667,575	\$ 0
Independent Living	55,145	55,145	0
Total Vocational Rehabilitation	\$ 5,722,720	\$ 5,722,720	\$ 0
Total Education, Department of	\$ 445,493,132	\$ 533,397,375	\$ 87,904,243

Significant increases include:

- \$1.1 million for Department administration. This includes:
 - \$650,000 and 4.0 FTE positions to operate the Education Data Warehouse and to purchase hardware and software licenses. A portion of this increase is offset by eliminating an FY 2008 appropriation of \$400,000 for the Education Data Warehouse Project.
 - \$400,000 and 3.0 FTE positions for administration of the Voluntary Preschool Program. The FTE positions would be in addition to 3.0 FTE positions appropriated in FY 2008 for the Program.
- \$12.9 million for general aid to community colleges, an increase of 7.5% compared to the estimated FY 2008 appropriation.
- \$75.0 million for the Student Achievement and Teacher Quality Program. This appropriation was enacted in SF 277 (Student Achievement and Teacher Quality Program Act) in 2007.
- \$2.6 million for a new appropriation for Model Core Curriculum to prepare a group of educators to support all school districts in high quality implementation of the core curriculum.
- \$660,000 for a new appropriation to support Project Lead the Way, a program that prepares high school students to study engineering in college. The funds will be used to leverage contributions from the business community.

In addition to the Education Data Warehouse appropriation mentioned above, the following FY 2008 appropriations are not funded in the FY 2009 request:

- \$400,000 for District Sharing and Efficiencies to facilitate discussions between school districts and Area Education Agencies (AEAs) to promote reductions in operational costs through shared functions. This effort will be completed in FY 2008. A report of findings and recommendations is due to the General Assembly by March 15, 2008.
- \$200,000 to Iowa Western Community College for interpreters for deaf students. Iowa Western has a greater proportion of deaf students due to its proximity to the Iowa School for the Deaf. Iowa Vocational Rehabilitation Services, that had previously funded interpreters, determined that it was not required to do so and ceased its funding in FY 2008.
- \$400,000 for transfer to the Department of Human Services for Early Head Start Pilot Projects.
- \$400,000 to the Belin-Blank Center at the University of Iowa to increase high school student participation in the Iowa On-Line Advanced Placement (AP) Academy. These funds cannot be used to pay AP examination fees for students.
- \$2.5 million for Student Achievement Strategies to provide grants to districts for supplemental educational services to students in grades K-5 that are not achieving at grade level in English-language arts, social studies, math, and science. Section 279.65, Code of Iowa, enacted in 2007, requires districts to provide such services.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Education, Department of</u>			
Before/After School Grants-HITT	\$ 305,000	\$ 305,000	\$ 0
Community Empowerment-HITT	2,153,250	2,153,250	0
Total Education, Department of	\$ 2,458,250	\$ 2,458,250	\$ 0

Issues

Student Achievement and Teacher Quality Program – Senate File 277 (Student Achievement and Teacher Quality Program Act), enacted in 2007, appropriated \$248.9 million for the Program in FY 2009, an increase of \$75.0 million compared to the FY 2008 appropriation in the Act. The Act specified allocations for both FY 2008 and FY 2009 for various components of the Program (see table below). The Department's FY 2009 budget offer indicates an intention to use part of the \$75.0 million increase to reinstate the National Board Certification Awards Program. Senate File 277 allocated only enough funding to the Awards Program in both FY 2008 and FY 2009 to fulfill existing commitments. No new awards were funded. The Subcommittee may want to consider whether to change the FY 2009 allocation to reinstate the Program and provide for new awards.

The LSA has published two *Issue Reviews* in regard to the impact of the Program on average teacher salaries (<http://www.legis.state.ia.us/lsadocs/IssReview/2007/IRSLS003.PDF>) and on teacher retention (<http://www.legis.state.ia.us/lsadocs/IssReview/2008/IRSLS003.PDF>).

Student Achievement and Teacher Quality Program Allocations			
	FY 2007	FY 2008	FY 2009
National Board Certification	\$ 1,915,000	\$ 2,500	\$ 1,002,500
NBC Support Program	250,000	0	0
Ambassador to Education	85,000	85,000	85,000
Market Factor Incentives - Librarians, Counselors, Nurses	0	1,000,000	0
Mentoring and Induction	4,650,000	4,650,000	4,650,000
Career/Prof. Dev. and Eval. Training	610,000	695,000	695,000
Praxis II Pilot	0	0	0
Variable Pay	0	0	0
Add'l. Prof. Dev. Day(s)	10,000,000	0	0
Professional Development	0	20,000,000	0
Teacher Dev. Academies	0	1,845,000	0
Market Factor Incentives	3,390,000	3,390,000	7,500,000
Pay for Performance	850,000	1,000,000	2,500,000
Institute for Tomorrow's Workforce	150,000	0	0
Salaries or Prof. Dev.	6,625,000	0	0
Teacher Compensation	75,818,894	141,276,394	232,511,394
Totals	\$ 104,343,894	\$ 173,943,894	\$ 248,943,894
NBC = National Board Certification			

Career Ladder and Pay for Performance Pilots – Senate File 277 allocated \$1.0 million in FY 2008 to award grants to local school districts to conduct eight Career Ladder Planning Projects and two Pay for Performance Planning Projects in FY 2008. The Act provided \$2.5 million in FY 2009 to award grants to follow-up the planning effort with implementation projects. The Department issued two Requests for Proposals (RFPs) and received one application for a Career Ladder Planning Project from the Cedar Rapids school district and two for Pay for Performance Planning Projects from the MOC-Floyd Valley and Mount Pleasant districts. All three applicants have been approved for grants.

The allocations for FY 2008 and FY 2009 do not revert and remain available for the purposes specified in subsequent years. The Subcommittee may want to consider reallocating the unused portion of the FY 2008 funds and all or a portion of the FY 2009 funds, extending the timeline for the pilots to permit the Department to seek additional applicants, or providing other specific direction regarding the use of the remaining funds.

Department of Education – Status of New FTE Positions – The General Assembly appropriated 17.0 new FTE positions to the Department for FY 2008. The positions and their status at the end of November are as follows:

- 3.0 FTE positions for the Voluntary Preschool Program. All three positions were filled in July.
- 4.0 FTE positions for the Education Data Warehouse. Three of the positions were filled in October and November. One remains vacant; the position was advertised and interviews were conducted, but no suitable candidate was identified.
- 10.0 FTE positions for General Administration, including the model core curriculum, sharing incentives, a Senior Year Plus study, the community college management information system, student achievement strategies, human growth and development curriculum resources, and development of strategic education goals. Four of the positions were filled in July (five people were hired to fill 4.0 FTE positions); two were filled in September and two in November. Two positions remain vacant and continue to be advertised.

The Department has cited the difficulty in filling vacant positions when recruitment begins after July 1, since most educators are already under contract to a school district or Area Education Agency by that time. The Department will continue to seek qualified candidates for the remaining positions.

Iowa Public Television – Status of New FTE Positions – The FY 2008 appropriation to Iowa Public Television included 5.0 new FTE positions for development of multi-channel content. The positions have not been filled. According to IPTV, the FY 2008 increase to IPTV's general operating appropriation of \$274,000 was \$400,000 less than requested and is insufficient to fill all the positions. The increase in funding is being used to pay for multi-channel programming packages, utilities for digital transmitters, and to begin a digital television awareness campaign to educate viewers regarding the end of analog transmission in February 2009.

For FY 2009, IPTV submitted a status quo budget as requested by the Governor. However, the IPTV Board of Directors approved submission of an informal request for \$382,000 for further development of multi-channel content; this would include filling at least 3.0 FTE positions.

Iowa Vocational Rehabilitation Services (IVRS) – The IVRS received \$25.6 million in federal funds in FFY 2007. This required a non-federal match that included State and third-party funding. The IVRS was able to match all available federal funds, after being unable to for the previous three years. For FFY 2008, the IVRS is estimating a 2.0% increase in available federal funding compared to FFY 2007.

Board of Regents

The Board of Regents is a nine-member board that oversees the University of Iowa, Iowa State University, University of Northern Iowa, Iowa School for the Deaf, and the Iowa Braille and Sight Saving School. The Board establishes policy for the institutions; hires the university presidents and special school superintendents; approves budgets, tuition and fees, bonding, investment policies, and other business and finance matters; reviews and approves academic programs; and serves as the trustees for the University of Iowa Hospitals and Clinics.

The Board is requesting FY 2009 General Fund appropriations totaling \$735.3 million. This is an increase of \$65.0 million compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Regents, Board of</u>			
BOR - Universities	\$ 0	\$ 603,273,346	\$ 603,273,346
BOR - Higher Education Legis. Special Purposes	0	116,266,286	116,266,286
BOR - Special Schools	0	15,767,163	15,767,163
Regent Board Office	1,263,437	0	-1,263,437
Tuition Replacement (Bond Debt Ser.)	13,975,431	0	-13,975,431
Southwest Iowa Resource Center	108,698	0	-108,698
Tri State Graduate Center	80,467	0	-80,467
Quad Cities Graduate Center	160,806	0	-160,806
Midwestern Higher Ed Consortium	90,000	0	-90,000

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Regents, Board of, cont.			
University of Iowa - General	258,011,947	0	-258,011,947
University of Iowa - Psychiatric Hospital	7,321,954	0	-7,321,954
Center for Disabilities and Development	6,726,227	0	-6,726,227
University of Iowa - Oakdale Campus	2,726,485	0	-2,726,485
University of Iowa - Hygienic Laboratory	4,182,151	0	-4,182,151
Family Practice Program	2,179,043	0	-2,179,043
SCHS - Spec. Child Health	732,388	0	-732,388
State of Iowa Cancer Registry	184,578	0	-184,578
SUI - Substance Abuse Consortium	67,877	0	-67,877
Biocatalysis	902,687	0	-902,687
Primary Health Care	793,920	0	-793,920
Iowa Birth Defects Registry	46,685	0	-46,685
SUI - Iowa Nonprofit Resource Center	200,000	0	-200,000
SUI - Ag Health & Safety	130,000	0	-130,000
Iowa State University - General	205,145,406	0	-205,145,406
ISU - Ag Experiment Station	34,493,006	0	-34,493,006
ISU - Cooperative Extension	21,900,084	0	-21,900,084
ISU - Leopold Center	490,572	0	-490,572
Livestock Disease Research	220,708	0	-220,708
University of Northern Iowa - General	92,495,485	0	-92,495,485
Recycling and Reuse Center	219,279	0	-219,279
Iowa School for the Deaf	9,689,607	0	-9,689,607
Iowa Braille and Sight Saving	5,456,107	0	-5,456,107
Tuition and Transportation	15,020	0	-15,020
ISU - George Washington Carver Endowed Chair	250,000	0	-250,000
Total Regents, Board of	\$ 670,260,055	\$ 735,306,795	\$ 65,046,740

The Board of Regents is requesting an overall General Fund increase of \$65.0 million in FY 2009, to be allocated among the three universities and two special schools as follows:

- \$47.6 million increase for the University of Iowa, Iowa State University and the University of Northern Iowa. The increase includes:
 - \$39.7 million in inflationary increases for the general operating budgets.
 - \$5.7 million for a Math and Science Collaborative Initiative among the three universities to promote collaboration and cooperation statewide with the goal of improving teaching and student performance in preschool through higher education. (See Issues below.)
 - \$2.2 million to enhance the emergency communications, early warning systems, and public safety response to improve security on the universities' campuses. In response to recent incidents at other campuses around the nation and less dramatic occurrences in Iowa, the Board received input from all three universities and updated security policies, including routine arming of campus police.
- \$606,000 increase for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School. This is a 4.0% increase for the special schools' budgets. The FY 2009 per pupil allowable growth rate approved for the K-12 Foundation Formula is 4.0%.

- \$4.3 million for Higher Education Legislative Special Purposes including:
 - \$4.3 million in inflationary increases for Special Purpose appropriations, such as the Hygienic Laboratory at the University of Iowa, Cooperative Extension Service and Agriculture Experiment Station at Iowa State University, and the Recycling and Reuse Program at the University of Northern Iowa.
 - \$11,000 for outreach efforts for the three Graduate Study Centers: Southwest Iowa Regents Resource Center in Council Bluffs, Tri-State Graduate Center in Sioux City, and the Quad Cities Graduate Center.
- \$12.5 million for economic development programs that will be appropriated by the Economic Development Appropriations Subcommittee.

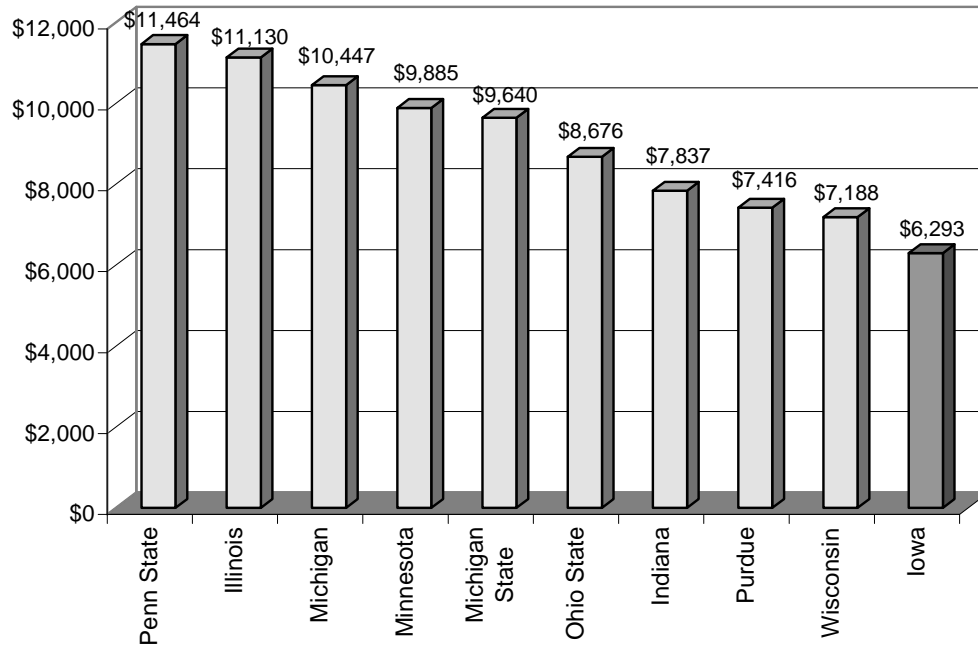
Issues

Math and Science Collaborative Initiative – The Board of Regents is requesting \$5.7 million for this collaborative initiative among the three universities, community colleges, K-12 schools, and others. A listening summit was held in July 2007 with a cross-section of Science-Technology-Engineering-Mathematics (STEM) stakeholders from local schools, businesses, government, community colleges, media, private colleges, service organizations, educational foundations, and the three Board of Regents universities. The first element involves four inter-university projects focusing on recruitment to increase the number of math and science teachers; summer internships for current math and science teachers to increase retention; expansion of Project Lead The Way (PLTW), collaborating with the Department of Education, to increase the number of PLTW certified teachers and improve the rigor of math and science curriculum; and an increase in the number of STEM community college instructors. The second element involves establishing a Regents Mathematics and Science Education Institute to coordinate efforts of the collaborative.

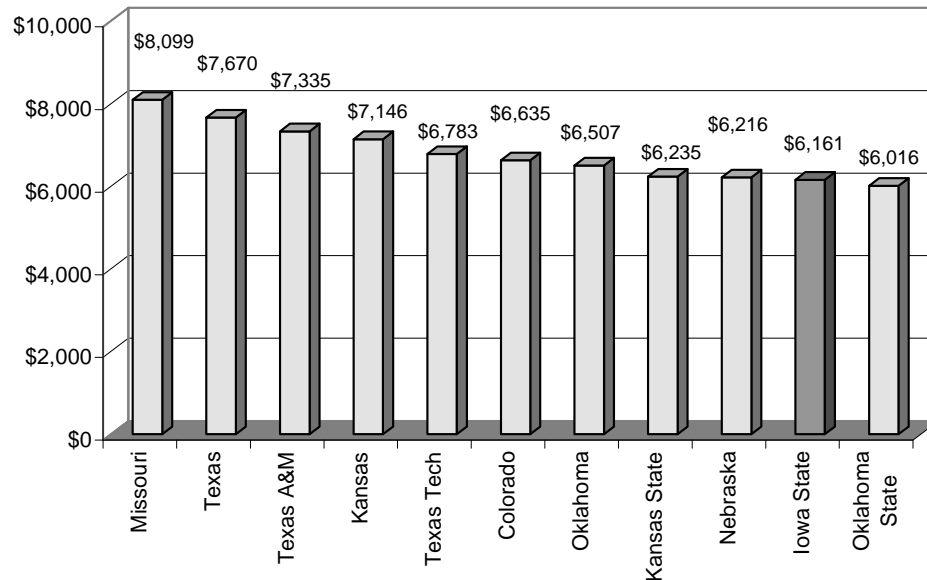
Tuition and Student Debt – The Board of Regents approved a base tuition increase for undergraduate students at the three universities of 3.2% for the 2008-2009 academic year. Nonresident tuition is set with the intent of recouping the total cost of the student's education. A number of fees were increased reflecting increased costs for the uses covered by those fees.

The University of Iowa's tuition historically is the lowest among Big Ten institutions. Iowa State University's tuition historically ranks in the middle of the Big Twelve institutions, although it is second lowest for the current academic year. (See charts below.) The University of Northern Iowa's tuition is similar to those of the other two Iowa Regents universities. Yet, Iowa graduates rank near the top of the nation for average student debt upon graduation and for the percentage of graduates with debt. The Subcommittee may want to examine the funding for grants and scholarships compared to that available to comparable institutions in other states.

**Big Ten Undergraduate Resident Tuition and Fees
2007-2008 Academic Year**



**Big Twelve Undergraduate Resident Tuition and Fees
2007-2008 Academic Year**



INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Early Care Best Practices Interim Study Committee

The Early Care Best Practices Interim Study Committee met on October 31 and November 26, 2007, and received information related to family support and parent education programs available to families with children ages 0-5. Family support programs are defined as community-based services to promote the well-being of children and families. In light of efforts underway to expand four-year-old preschool in Iowa, the Committee is focusing primarily on family support services for children ages 0-3, although many programs serve ages 0-5.

On October 31, Early Childhood Iowa and the Office of Empowerment presented information regarding their efforts related to family support services. Staff from the Fiscal Services Division of the Legislative Services Agency presented a funding overview. A panel presentation on the primary family support programs in Iowa included Family Development and Self-Sufficiency (FaDSS), Parents as Teachers (PAT), Healthy Opportunities for Parents to Experience Success – Healthy Family Iowa (HOPES-HFI), Early Access, an example of a HOPES-like program funded by a local Community Empowerment area, Prevent Child Abuse Iowa's parent education efforts, and Early Head Start.

On November 26, the Committee heard presentations by Deborah Daro, Chapin Hall Center for Children at the University of Chicago, and Steffanie Clothier, National Conference of State Legislatures. Additional information was provided regarding the roles of the Area Education Agencies and the Department of Education in early childhood programming. Representatives of the Neighborhood Centers of Johnson County highlighted the local Even Start Program.

The Committee is scheduled to meet again on January 14 to discuss possible recommendations. Materials from the Committee's meetings are available on the web site at http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?id=true&type=ih&com=215.

Home-Based Child Care Interim Study Committee

Please refer to the Human Services Appropriations Subcommittee section of this document for information on the Home-Based Child Care Interim Study Committee.

Iowa Empowerment Board – Fiscal Accountability Work Group

In November 2006, the Iowa Empowerment Board asked the Fiscal Accountability Work Group (FAWG) to begin meeting again to review fiscal accountability measures in place for local boards and recommend measures to strengthen local practices. Established by the Iowa Empowerment Board, FAWG consists of Board members with experience on local Empowerment boards, representatives of State agencies that work with Empowerment, and a representative of the Fiscal Services Division of the Legislative Services Agency. It has convened periodically, as needed, since the establishment of the Community Empowerment initiative.

Since November 2006, FAWG has met six times to gather and discuss information related to the fiscal accountability practices of local Empowerment boards. Members agreed that fiscal accountability has become a critical issue, as the amount of State appropriations to Empowerment have grown from \$5.2 million in FY 1999 to \$40.9 million in FY 2008 and the spending requirements (carve-outs) have grown more complex. At the August 2007 meeting of the Iowa Empowerment Board, FAWG recommended that

the Board explore the possibility of establishing a network of regional fiscal agents to serve all 58 local boards in order to ensure adequate, consistent services statewide. While not ruling out the possibility, the Board asked FAWG to consider other options and make further recommendations.

After seeking input from local Boards and their coordinators, FAWG has begun reviewing all of the State-level fiscal guidance that is provided to local Boards and advising the Community Empowerment Technical Assistance Team of clarifications or additional information needed. In addition, a representative of the State Auditor's Office has participated in the meetings to discuss methods for strengthening the current audit requirements for local Boards. Strategies for providing the Technical Assistance Team with greater resources to assist local Boards with fiscal issues and for more thoroughly addressing fiscal accountability in the redesignation process are currently under discussion.

At the November 1 FAWG meeting, members learned of several specific problems with local Boards that were uncovered during the 2007 redesignation visits. There are two, and possibly three, local Boards that did not spend their FY 2007 State School Ready Grant funds as specified in statute. Also, as part of a peer review process being piloted with family support programs funded by local Empowerment Boards, it appears that an agency under contract with several local Boards may have been double-billing by charging the same family support visits to both Empowerment funds and federal Family Development and Self-Sufficiency (FaDSS) funds administered by the Department of Human Rights. These situations are currently under investigation by the Office of Empowerment in the Department of Management, as well as the Departments of Education and Human Rights.

Agendas, minutes, and other materials from the FAWG meetings are available on the Empowerment web site at <http://www.empowerment.state.ia.us/fiscal.asp>.

Skilled Worker Shortage Interim Study Committee

Please refer to the Economic Development Appropriations Subcommittee section of this document for information on the Skilled Worker Shortage Interim Study Committee.

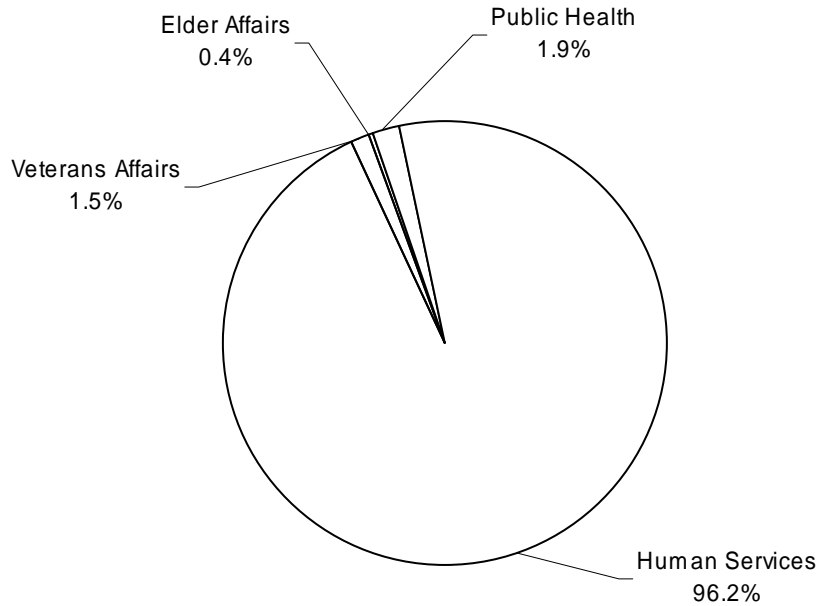
LSA Publications

The following publications have been issued by the LSA that relate to the Education Appropriations Subcommittee:

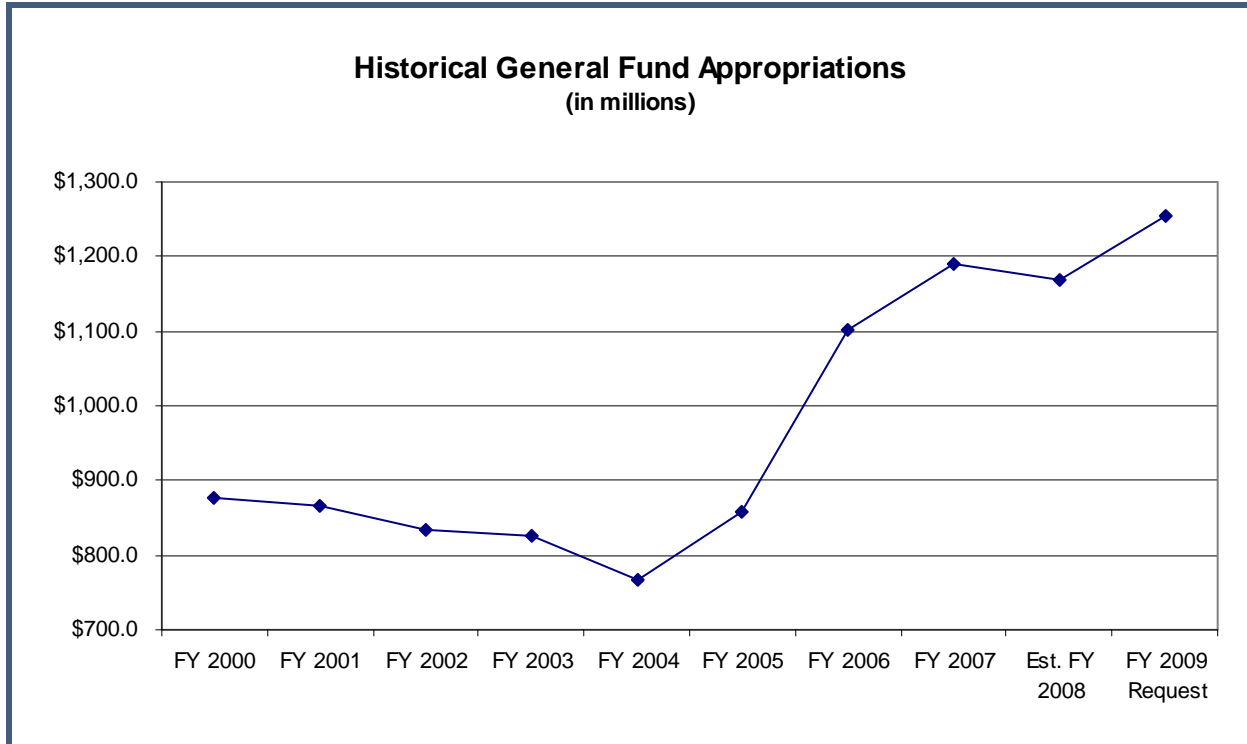
- [Average Teacher Salaries – Impact of Student Achievement and Teacher Quality Legislation](#)
- [Teacher Retention and the Student Achievement and Teacher Quality Program](#)
- [Iowa College Student Debt](#)
- [Property Tax Adjustment Aid](#) (a component of the School Foundation Formula)
- [Impact of School Budget Components on Foundation Property Tax Rates](#)

HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE

FY 2009 General Fund Department Requests



Elder Affairs	\$ 4,866,698
Public Health	24,034,256
Human Services	1,208,110,101
Veterans Affairs	18,294,350
	<u>\$ 1,255,305,405</u>



FY 2009 DEPARTMENT REQUESTS

Department of Elder Affairs

The Department of Elder Affairs is designated as the State Unit on Aging. The Department advocates for elder Iowans age 60 and older and is responsible for developing a comprehensive and coordinated system of services and activities for older Iowans through the 13 local Area Agencies on Aging (AAAs) across the State.

The Department is requesting an FY 2009 General Fund appropriation of \$4.9 million. This is no change compared to estimated FY 2008. The Department is also requesting an FY 2009 other funds appropriation of \$8.4 million. This is no change compared to estimated FY 2008.

General Fund Request

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Elder Affairs, Department of</u>			
Aging Programs	\$ 4,866,698	\$ 4,866,698	\$ 0
Total Elder Affairs, Department of	\$ 4,866,698	\$ 4,866,698	\$ 0

Other Fund Request

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Elder Affairs, Department of</u>			
Elder Affairs Operations-SLTF	\$ 8,442,707	\$ 8,442,707	\$ 0
Total Elder Affairs, Department of	\$ 8,442,707	\$ 8,442,707	\$ 0

Department of Public Health

The Department of Public Health works with local public health agencies to ensure quality health services in Iowa communities through contracts with all 99 counties to provide population-based health services and a limited number of personal health services. The Department assists in the prevention of epidemics and the spread of disease; protection against environmental hazards; preventing injuries; promoting and encouraging healthy behaviors and mental health; preparing for and responding to public health emergencies and assisting communities in recovery; and assuring the quality and accessibility of health services.

The Department is requesting FY 2009 General Fund appropriations totaling \$24.0 million. This is no change compared to estimated FY 2008. The Department is also requesting FY 2009 other funds appropriations totaling \$41.5 million. This is a decrease of \$525,000 compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Public Health, Department of</u>			
Addictive Disorders	\$ 2,002,149	\$ 2,002,149	\$ 0
Healthy Children and Families	2,536,913	2,536,913	0
Chronic Conditions	1,842,840	1,842,840	0
Community Capacity	1,760,532	1,970,532	210,000
Elderly Wellness	9,233,985	9,233,985	0
Environmental Hazards	747,960	747,960	0
Infectious Diseases	1,658,286	1,658,286	0
Public Protection	2,845,658	2,835,658	-10,000
Resource Management	1,205,933	1,205,933	0
211 Call Centers	200,000	0	-200,000
Total Public Health, Department of	\$ 24,034,256	\$ 24,034,256	\$ 0

Community Capacity – In FY 2008, \$210,000 was appropriated to the Department for 211 Call Centers, including \$200,000 in SF 601 (FY 2008 Standing Appropriations Act) and \$10,000 under Public Protection in HF 909 (FY 2008 Health and Human Services Appropriations Act).

For FY 2009, the Department requests the \$210,000 in funds for 211 Call Centers be consolidated under the Community Capacity appropriation and reallocated for a healthy communities initiative. The Department would also reallocate another \$100,000 that is within Community Capacity and used for Child Vision Screening for the healthy communities initiative, bringing the total reallocation to \$310,000 for this initiative.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Public Health, Department of			
Public Health, Department of			
Ad. Dis.-Substance Abuse Treatment-GTF	\$ 2,215,000	\$ 1,690,000	\$ -525,000
Ad. Dis.-Gambling Treatment Program-GTF	5,255,285	4,310,000	-945,285
Ad. Dis.-Tobacco Use Prevention/Control-HITT	5,928,465	0	-5,928,465
Ad. Dis.-Substance Abuse Treatment-HITT	13,800,000	0	-13,800,000
Ad. Dis.-Sub. Abuse Prevention for Kids-HITT	1,050,000	0	-1,050,000
Chr. Con-PKU Assistance-HITT	100,000	0	-100,000
Chr. Con.-Iowa Stillbirth Evaluation Project-HITT	26,000	0	-26,000
Chr. Con.-AIDS Drug Assistance Program-HITT	275,000	0	-275,000
Chronic Conditions-HITT	0	401,000	401,000
Pub. Pro.-External Defibrillator Grant-HITT	40,000	0	-40,000
Health Protection and Regulation-HITT	0	1,027,320	1,027,320
Healthy Iowans 2010-HITT	2,509,960	0	-2,509,960
Addiction Disorders-HITT	0	20,778,465	20,778,465
Community Capacity-HITT	0	1,257,482	1,257,482
Environmental Hazards-HITT	0	365,158	365,158
Epilepsy Education-HITT	100,000	0	-100,000
Addictive Disorders-HCTF	6,993,754	6,993,754	0
Healthy Children and Families-HCTF	687,500	657,500	-30,000
Chronic Conditions-HCTF	1,188,981	1,178,981	-10,000
Community Capacity-HCTF	2,790,000	2,830,000	40,000
Total Public Health, Department of	\$ 42,959,945	\$ 41,489,660	\$ -1,470,285

Significant changes include:

- **Gambling Treatment Fund** – The Department is requesting \$6.0 million for FY 2009, a decrease of \$1.5 million compared to estimated FY 2008. The \$1.5 million was available in FY 2008 to provide additional funds for substance abuse treatment and the Gambling Treatment Program due to the carryforward of unused funds in the Gambling Treatment Program from previous fiscal years.

The General Assembly allocated \$2.2 million for substance abuse treatment from the Fund for FY 2008. This included \$525,000 in carryforward funds that were directed to be used for Adult Drug Court Programs under the Department of Corrections, and the Family Development and Self-Sufficiency (FADSS) Program and the Energy Utility Assessment and Resolution Program under the Department of Human Rights. The Governor item-vetoed the use of the carryforward funds for the directed initiatives, leaving \$1.7 million to be used for substance abuse treatment in FY 2008, and the same amount is requested for FY 2009.

- **Healthy Iowans Tobacco Trust (HITT)** – The Department is requesting \$23.8 million for FY 2009. This is no change compared to estimated FY 2008. The Department request includes consolidating the existing nine HITT appropriations into five for organizational purposes that result in no net change for FY 2009. The Department request also reallocates \$100,000 currently used for epilepsy education to the healthy communities initiative. The five appropriations include:
 - **Addictive Disorders** – A total of \$20.8 million. This includes:
 - \$13.8 million for Substance Abuse Treatment.

- \$5.9 million for Tobacco Use Prevention and Control.
 - \$1.1 million for Substance Abuse Prevention for Kids.
- **Chronic Conditions** – A total of \$401,000. This includes:
 - \$275,000 for the AIDS Drug Assistance Program (ADAP).
 - \$100,000 for Phenylketonuria (PKU) assistance.
 - \$26,000 for Stillbirth Evaluation.
- **Community Capacity** – A total of \$1.3 million. This includes:
 - \$1.2 million for local public health services (in previous years, this was an allocation from the Healthy Iowans 2010 appropriation).
 - \$100,000 for epilepsy education. The Department request reallocates these funds for the healthy communities initiative.
- **Environmental Hazards** – A total of \$365,000. This includes:
 - \$289,000 for the Environmental Epidemiology Program (in previous years, this was an allocation from the Healthy Iowans 2010 appropriation).
 - \$76,000 for the Childhood Lead Prevention Program (in previous years, this was an allocation from the Healthy Iowans 2010 appropriation).
- **Health Protection and Regulation** – A total of \$1.0 million. This includes:
 - \$600,000 for the Poison Control Center (in previous years, this was an allocation from the Healthy Iowans 2010 appropriation).
 - \$387,000 for Emergency Medical Services (EMS) (in previous years, this was an allocation from the Healthy Iowans 2010 appropriation).
 - \$40,000 for the Automated External Defibrillator Program (in previous years, this was an allocation from the Healthy Iowans 2010 appropriation).
- **Health Care Trust Fund (HCTF)** – The Department is requesting \$11.7 million for FY 2009. This is no change compared to estimated FY 2008. The Department request includes transferring \$40,000 in existing funds between HCTF appropriations for organizational purposes that results in no net change for FY 2009. The Department request also reallocates \$490,000 used for current services to the healthy communities initiative. The changes include:
 - **Healthy Children and Families** – A decrease of \$30,000. This includes:
 - A decrease of \$20,000 to transfer funding for the Postnatal Tissue and Fluid Bank Task Force to the Community Capacity appropriation.
 - A decrease of \$10,000 to transfer funding for children’s vision initiatives (InfantSee) to the Community Capacity appropriation.
 - **Chronic Conditions** – A decrease of \$10,000 to transfer funding for extracorporeal support to the Community Capacity appropriation.

- **Community Capacity** – An increase of \$40,000. This includes:
 - An increase of \$20,000 to transfer funding from the Postnatal Tissue and Fluid Bank Task Force from the Healthy Children and Families appropriation. The Department request reallocates these funds for the healthy communities initiative.
 - An increase of \$10,000 to transfer funding for children’s vision initiatives (InfantSee) from the Healthy Children and Families appropriation. The Department request reallocates these funds for the healthy communities initiative.
 - An increase of \$10,000 to transfer funding for extracorporeal support from the Chronic Conditions appropriation. The Department request reallocates these funds for the healthy communities initiative.
 - The Department request also includes reallocation of the following funds within Community Capacity for the healthy communities initiative in FY 2009:
 - \$300,000 used for the Iowa Collaborative Safety Net in FY 2008.
 - \$75,000 used for local public health redesign in FY 2008.
 - \$75,000 used for the Direct Care Worker Task Force in FY 2008.

Issues

Brain Injury Program – The Brain Injury Program administered by the Department transfers funds to the Department of Human Services (DHS) to pay the State share for those receiving services through the Brain Injury Waiver. There is potential for a funding shortfall of \$1.6 million in FY 2009 if one-time carryforward funds are utilized in FY 2008 to reduce the Waiver waiting list or to implement a cost-share program. Neither the Department of Public Health nor the DHS requested these replacement funds for FY 2009.

Healthy Communities Initiative – The Department’s budget request for FY 2009 includes the reallocation of \$900,000, including \$310,000 from the General Fund; \$490,000 from the Health Care Trust Fund; and \$100,000 from the Healthy Iowans Tobacco Trust to be used for a healthy communities initiative in FY 2009. The Subcommittee may wish to review the programs and services that will be eliminated if the reallocation occurs.

Department of Human Services

The Department of Human Services (DHS) is responsible for administering cash assistance for needy families (Family Investment Program), food assistance, Medicaid, child support enforcement, subsidized adoption, child abuse assessments, dependent adult abuse assessments, foster care, various family preservation and strengthening programs, child care registration and subsidy, two institutions for juveniles, refugee services, and services for the mentally ill and developmentally disabled, including the operation of four mental health institutes, and two resource centers for people with mental retardation.

The Department is requesting FY 2009 General Fund appropriations totaling \$1.208 billion. This is an increase of \$86.7 million compared to estimated FY 2008. The Department is also requesting FY 2009 other funds appropriations totaling \$271.4 million. This is a decrease of \$19.9 million compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Human Services, Department of			
Human Services - General Administration			
General Administration	\$ 16,782,706	\$ 16,833,782	\$ 51,076
Human Services - Field Operations			
Child Support Recoveries	\$ 10,469,844	\$ 15,398,092	\$ 4,928,248
Field Operations	66,555,087	72,714,499	6,159,412
Total Human Services - Field Operations	\$ 77,024,931	\$ 88,112,591	\$ 11,087,660
Human Services - Toledo Juvenile Home			
Toledo Juvenile Home	\$ 7,579,484	\$ 7,773,133	\$ 193,649
Human Services - Eldora Training School			
Eldora Training School	\$ 11,948,327	\$ 12,094,199	\$ 145,872
Human Services - Cherokee CCUSO			
Civil Commit. Unit for Sex Offenders	\$ 6,523,524	\$ 6,814,978	\$ 291,454
Human Services - Cherokee			
Cherokee MHI	\$ 5,727,743	\$ 5,883,433	\$ 155,690
Human Services - Clarinda			
Clarinda MHI	\$ 7,023,073	\$ 7,174,019	\$ 150,946
Human Services - Independence			
Independence MHI	\$ 10,489,724	\$ 10,716,491	\$ 226,767
Human Services - Mt Pleasant			
Mt Pleasant MHI	\$ 1,877,099	\$ 1,955,244	\$ 78,145
Human Services - Glenwood			
Glenwood Resource Center	\$ 19,002,377	\$ 18,017,504	\$ -984,873
Human Services - Woodward			
Woodward Resource Center	\$ 13,038,833	\$ 12,075,075	\$ -963,758
Human Services - Assistance			
Family Investment Program/JOBS	\$ 42,675,127	\$ 42,168,632	\$ -506,495
Medical Assistance	616,771,820	669,342,107	52,570,287
Health Insurance Premium Payment	673,598	566,338	-107,260
Medical Contracts	13,790,558	15,860,901	2,070,343
State Children's Health Insurance (hawk-i)	14,871,052	13,430,863	-1,440,189
State Supplementary Assistance	17,210,335	18,611,385	1,401,050
Child Care Assistance	37,875,701	37,638,322	-237,379
Child and Family Services	88,520,320	88,423,367	-96,953
Adoption Subsidy	31,972,681	35,436,141	3,463,460
Family Support Subsidy	1,936,434	1,936,434	0
Connors Training	42,623	42,623	0
MI/MR/DD State Cases	11,067,178	13,067,178	2,000,000
MH/DD Community Services	18,017,890	18,017,890	0

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Human Services, Department of, cont.</u>			
Human Services - Assistance, cont.			
MH/DD Growth Factor	36,888,041	57,007,903	20,119,862
Volunteers	109,568	109,568	0
County Suppl. MH/DD Growth	12,000,000	0	-12,000,000
State Mental Health Systems	0	9,000,000	9,000,000
Total Human Services - Assistance	\$ 944,422,926	\$ 1,020,659,652	\$ 76,236,726
Total Human Services, Department of	\$ 1,121,440,747	\$ 1,208,110,101	\$ 86,669,354

Significant changes include:

- **Economic Assistance** – An increase of \$4.4 million, including:
 - **Family Investment Program** – A decrease of \$506,000 to reflect the elimination of Electronic Benefits Transfer (EBT) retailer fees.
 - **Child Support Recoveries** – A net increase of \$4.9 million, including:
 - An increase of \$5.3 million for federal Deficit Reduction Act (DRA) review and adjustment.
 - An increase of \$205,000 for service costs.
 - An increase of \$160,000 for caseload growth.
 - A decrease of \$522,000 for various technology-related savings.
 - A decrease of \$274,000 to reflect the delay in implementation of medical support changes required by the DRA.
 - An increase of \$82,000 for computer software upgrades.
- **Medicaid** – A net increase of \$52.6 million, including:
 - An increase of \$10.4 million for nursing facilities to replace the FY 2007 carryforward.
 - An increase of \$1.3 million to reflect changes in the Federal Medical Assistance Percentage (FMAP) rate.
 - An increase of \$18.9 million for enrollment and utilization increases.
 - An increase of \$10.0 million for payments to the federal government for Medicare dual eligibles.
 - An increase of \$1.2 million for caseload growth in the Money Follows the Person Program, Health Maintenance Organizations, Targeted Case Management, and Intermediate Care Facility for the Mentally Retarded.
 - An increase of \$16.0 million to fully fund the Mental Health Institutes to reflect an expected loss in federal matching funds from the IowaCare Program agreement.
 - An increase of \$2.8 million to expand Medicaid coverage to additional uninsured children.
 - A decrease of \$3.8 million to recalculate State Maximum Allowable Costs (SMAC) for pharmaceuticals.

- A decrease of \$863,000 to reflect a surcharge added to all claims filed on paper, when electronic filing is available.
- A decrease of \$1.7 million to move behavioral health drugs to the preferred drug lists.
- A decrease of \$425,000 for the collection of rebates for diabetic supplies.
- A decrease of \$100,000 to reduce drug dispensing fees to physicians.
- A decrease of \$1.0 million to reimburse anesthesiologists at 100.0% of Medicare rates.
- A decrease of \$240,000 to create two levels of Targeted Case Management.

For further information regarding Medicaid, see **Appendix G**.

- **Medical Contracts** – An increase of \$2.1 million, including:
 - An increase of \$121,000 for computer software upgrades.
 - An increase of \$1.3 million to restore funds from the Pharmaceutical Settlement Account.
 - An increase of \$625,000 for increased contract costs with the Department of Inspections and Appeals.
- **State Children’s Health Insurance Program (hawk-i)** – A net decrease of \$1.4 million, including:
 - A decrease of \$5.5 million to reflect the availability of carryforward funds from FY 2008.
 - An increase of \$3.7 million to reflect enrollment growth and utilization.
 - An increase of \$400,000 for additional outreach efforts.
- **State Supplementary Assistance Program** – An increase of \$1.4 million, including:
 - An increase of \$302,000 to reflect increased costs and growth.
 - An increase of \$1.1 million to restore carryforward funds from FY 2007.
- **Toledo Juvenile Home** – An increase of \$194,000 for operational inflation, an Advanced Registered Nurse Practitioner position, and computer upgrades.
- **Eldora Training School** – An increase of \$146,000 for operational inflation and computer upgrades.
- **Child Care Assistance** – A decrease of \$237,000 to transfer funds to Field Operations for additional staff resulting from caseload growth and computer upgrades in the Child Care Assistance Program.
- **Child and Family Services** – A net decrease of \$97,000. This includes:
 - A decrease of \$3.6 million to reflect the availability of unspent Decategorization funds from prior fiscal years. The savings will be reallocated to maintain other child welfare services.
 - An increase of \$1.3 million for caseload growth in the Preparation for Adult Living Services (PALS) Program.
 - An increase of \$1.2 million for caseload growth in Family Foster Care.
 - An increase of \$757,000 to reflect the transfer of funds for Resource Family Recruitment and Retention from the Adoption Subsidy appropriation.
 - A decrease of \$762,000 for highly structured juvenile program beds (boot camps). The savings will be reallocated for other child welfare services.

- An increase of \$533,000 to reflect the transfer of funds for Family Safety, Risk, and Permanency from the Adoption Subsidy appropriation.
- An increase of \$325,000 for family foster care and supervised apartment living maintenance rates.
- An increase of \$283,000 for changes in the Federal Medical Assistance Percentage (FMAP) rate.
- A decrease of \$210,000 to reallocate funds previously transferred to the Mental Health Risk Pool to other child welfare services.
- A decrease of \$203,000 to reallocate funds for two Multidimensional Treatment Level Foster Care Pilot Programs to maintain other child welfare services.
- An increase of \$200,000 to replace carryforward funds utilized in FY 2008 for Juvenile Drug Courts.
- An increase of \$169,000 to reflect the transfer of funds for Relative Home Studies from the Adoption Subsidy appropriation.
- A decrease of \$152,000 to reallocate funds for four Diversion and Mediation Pilot Projects to maintain other child welfare services.
- An increase of \$109,000 for child abuse medical exams.
- A decrease of \$52,000 to reallocate funds for a nine-county family treatment and community education grant to maintain other child welfare services.
- An increase of \$41,000 for Preparation for Adult Living Services (PALS) maintenance rates.
- **Adoption Subsidy** – A net increase of \$3.5 million. This includes:
 - An increase of \$2.5 million for caseload growth.
 - An increase of \$2.0 million to replace carryforward funds utilized in FY 2008.
 - A decrease of \$757,000 to transfer funds for Resource Family Recruitment and Retention to Child and Family Services.
 - A decrease of \$533,000 to transfer funds for Family Safety, Risk, and Permanency to Child and Family Services.
 - An increase of \$378,000 for adoption subsidy maintenance rates.
 - A decrease of \$169,000 to transfer funds for Relative Home Studies to Child and Family Services.
 - An increase of \$38,000 for changes in the FMAP rate.
- **Mental Health/Mental Retardation/Developmental Disabilities/Brain Injury** – A net increase of \$18.1 million, including:
 - An increase of \$156,000 for the Cherokee MHI, including:
 - An increase of \$43,000 for software upgrades.
 - An increase of \$112,000 for inflation.
 - An increase of \$151,000 for the Clarinda MHI, including:
 - An increase of \$20,000 for software upgrades.
 - An increase of \$101,000 for inflation.

- An increase of \$30,000 to replace lost funding for gero-psychiatric drugs.
- An increase of \$227,000 for the Independence MHI, including:
 - An increase of \$36,000 for software upgrades.
 - An increase of \$180,000 for inflation.
 - An increase of \$10,000 to reflect changes in the FMAP rate.
- An increase of \$78,000 for the Mt. Pleasant MHI, including:
 - An increase of \$15,000 for software upgrades.
 - An increase of \$61,000 for inflation.
 - An increase of \$2,000 to reflect changes in the FMAP rate.
- A net decrease of \$985,000 for the Glenwood Resource Center, including:
 - An increase of \$250,000 to restore carryforward fund from FY 2007.
 - An increase of \$149,000 for inflation.
 - An increase of \$21,000 for software upgrades.
 - An increase of \$262,000 for services for people with no county of legal settlement.
 - An increase of \$30,000 to reflect changes in the FMAP rate.
 - A decrease of \$1.9 million for salary adjustment.
 - An increase of \$195,000 to replace revenue from the loss of two homes.
- A net decrease of \$964,000 for the Woodward Resource Center, including:
 - An increase of \$250,000 to restore carryforward funds from FY 2007.
 - An increase of \$79,000 for inflation.
 - An increase of \$13,000 for software upgrades.
 - An increase of \$291,000 for services for people with no county of legal settlement.
 - An increase of \$21,000 to reflect changes in the FMAP rate.
 - A decrease of \$1.8 million for salary adjustment.
 - An increase of \$205,000 to replace revenue from the loss of two homes.
- An increase of \$2.0 million for the State Cases Program to restore the FY 2007 carryforward.
- An increase of \$291,000 for the Sexual Predator Commitment Program.
- An increase of \$9.0 million, including:
 - An increase of \$6.0 million for a statewide mental health crisis system.
 - An increase of \$3.0 million for school-based mental health assessments.
- An increase of \$8.1 million for Mental Health Allowed Growth.

- **Field Operations** – An increase of \$6.2 million. This includes:
 - An increase of \$1.8 million and 31.0 FTE positions for additional Child Welfare Caseworkers, Clinical Consultants, and Supervisors.
 - An increase of \$1.6 million and 40.5 FTE positions to reflect caseload growth in Medicaid and the State Children’s Health Insurance Program (SCHIP).
 - An increase of \$1.5 million to replace carryforward funds utilized in FY 2008 that maintain 37.4 FTE positions.
 - An increase of \$613,000 for computer software upgrades for various Department programs.
 - An increase of \$343,000 and 6.0 FTE positions for additional social work staff resulting from caseload growth.
 - An increase of \$158,000 and 3.7 FTE positions to reflect caseload growth in the Child Care Assistance Program.
 - An increase of \$69,000 to reflect caseload growth in various programs.
 - An increase of \$34,000 and 0.8 FTE position to reflect caseload growth in the Food Assistance Program.
- **General Administration** – A net increase of \$52,000 due to the transfer of funding for two Information Technology positions, a reduction for a one-time payment to the Department of Human Rights, and system changes for Medicaid expansion.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Human Services, Department of</u>			
Human Services - General Administration			
FIP-TANF	\$ 36,890,944	\$ 28,101,513	\$ -8,789,431
Promise Jobs-TANF	14,993,040	14,993,040	0
FaDDS-TANF	2,998,675	2,998,675	0
Field Operations-TANF	17,707,495	17,707,495	0
General Administration-TANF	3,744,000	3,744,000	0
Local Admin. Cost-TANF	2,189,830	2,189,830	0
State Day Care-TANF	18,986,177	18,986,177	0
MH/DD Comm. Services-TANF	4,894,052	4,894,052	0
Child & Family Services-TANF	32,084,430	32,084,430	0
Child Abuse Prevention-TANF	250,000	250,000	0
Training & Technology-TANF	1,037,186	1,037,186	0
HOPES - Transfer to DPH-TANF	200,000	200,000	0
0-5 Children-TANF	7,350,000	7,350,000	0
Child Support Recovery-TANF	200,000	200,000	0
Child Care Direct Assistance-TANF	0	6,900,000	6,900,000
Total Human Services - General Administration	\$ 143,525,829	\$ 141,636,398	\$ -1,889,431

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Human Services, Department of, cont.			
Human Services - Assistance			
Pregnancy Prevent. - TANF	\$ 1,930,067	\$ 1,930,067	\$ 0
Medical Supplemental-SLTF	65,000,000	65,000,000	0
Medical Contracts-Pharmaceutical Settle.	1,323,833	0	-1,323,833
Broadlawns Hospital-ICA	40,000,000	37,000,000	-3,000,000
State Hospital-Cherokee-ICA	9,098,425	3,476,524	-5,621,901
State Hospital-Clarinda-ICA	1,977,305	755,532	-1,221,773
State Hospital-Independence-ICA	9,045,894	3,456,452	-5,589,442
State Hospital-Mt Pleasant-ICA	5,752,587	2,717,565	-3,035,022
Medical Examinations-HCTA	556,800	556,800	0
Medical Information Hotline-HCTA	150,000	150,000	0
Health Partnership Activities-HCTA	550,000	900,000	350,000
Audits, Perf. Eval., Studies-HCTA	400,000	400,000	0
IowaCare Admin. Costs-HCTA	930,352	1,132,412	202,060
General Administration-HITT	274,000	274,000	0
POS Provider Increase-HITT	146,750	146,750	0
Other Service Providers Inc.-HITT	182,381	182,381	0
Medical Assistance Combined-HITT	35,327,368	35,327,368	0
Child and Family Services-HITT	3,761,677	3,761,677	0
Dental Home for Children-HCTA	1,186,475	500,000	-686,475
Mental Health Trans. Pilot-HCTA	250,000	250,000	0
Medical Assistance-HCTF	99,518,096	99,518,096	0
Children's Health Insurance-HCTF	8,329,570	8,329,570	0
MH/MR/DD Growth - HCTF	7,592,099	7,592,099	0
Total Human Services - Assistance	\$ 293,283,679	\$ 273,357,293	\$ -19,926,386
Total Human Services, Department of	\$ 436,809,508	\$ 414,993,691	\$ -21,815,817

Significant changes include:

- A decrease of \$8.8 million in FIP funding from the Temporary Assistance for Needy Families (TANF) appropriation. This is to reflect decreasing need and a shift of funds to direct child care assistance.
- An increase of \$6.9 million from TANF for the Child Care Assistance Program.
- A decrease of \$1.3 million from the Pharmaceutical Settlement Account to reflect the depletion of funds in FY 2008. Medical Contracts would now be paid for entirely with General Fund dollars under the request.
- A decrease of \$3.0 million to the IowaCare Program appropriation for Broadlawns Medical Center.
- A decrease of \$15.5 million for the four mental health institutes (MHI) from the IowaCare Program appropriation to reflect phasing out of federal funding. Under the federal terms and conditions of creating the IowaCare Program, the State was required to phase out federal matching funds to the MHIs.
- An increase of \$350,000 from TANF for Health Partnership activities to reflect increased smoking cessation programs for Medicaid and the IowaCare Program.
- An increase of 202,000 from TANF for additional administrative costs for the IowaCare Program.
- A decrease of \$686,000 from TANF to reflect one-time money for the creation of a dental home for children.

Issues

Dual Eligibility – The Center for Medicare and Medicaid Services (CMS) is retroactively redetermining eligibility for 20 years of dual eligibles for both the Medicare and Medicaid Programs. They are then billing the State for its share of the costs. The Department is looking into this practice and considering what course of action to take. It is unclear at this point how much this practice has cost the State.

Distribution of Mental Health Appropriation – Senate File 601 (FY 2008 Standing Appropriations Act) did not specify how to distribute \$64.6 million for the FY 2009 mental health appropriation. The General Assembly will need review this and implement the distribution.

Reallocation of Funds for Child and Family Services – The Department's FY 2009 budget request for Child and Family Services includes the reallocation of \$5.0 million to eliminate funding for some services. The funds remain in Child and Family Services but are used to maintain other child welfare services. The Subcommittee may wish to review the programs and services that would be eliminated, and receive clarification on the other services that would be maintained or enhanced if the reallocation occurs.

Shelter Care Beds – The Subcommittee may wish to review the policy of paying for a guaranteed number of shelter care beds regardless of use against the statewide shelter care bed census. The State currently pays for 273 guaranteed beds. For the first quarter of FY 2008, the statewide average daily shelter census was 215. In FY 2007, the State paid an estimated \$1.2 million for unused shelter care beds.

Department of Veterans Affairs

The Department of Veteran Affairs includes the Department and the Iowa Veterans Home. The Department provides services to veterans regarding federal pension applications, identifying services to reimburse from the Veterans Trust Fund interest revenues, establishing the Veterans Cemetery, and providing assistance for the County Grant Program, the Injured Veterans Grant Program, and the Vietnam Veterans Bonus Program. The Iowa Veterans Home provides services to veterans at the Home in Marshalltown, including domiciliary, residential, and pharmaceutical.

The Department is requesting FY 2009 General Fund appropriations totaling \$18.3 million. This is a decrease of \$574,000 compared to estimated FY 2008. The Department is also requesting FY 2009 other funds appropriations totaling \$1.6 million. This is a decrease of \$100,000 compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Veterans Affairs, Department of</u>			
General Administration	\$ 863,457	\$ 1,163,457	\$ 300,000
Iowa Veterans Home	16,728,256	16,153,893	-574,363
Veterans Trust Fund	500,000	0	-500,000
Veterans County Grants	750,000	600,000	-150,000
War Orphans Educational Assistance	27,000	27,000	0
Vietnam Veterans Bonus	0	350,000	350,000
Total Veterans Affairs, Department of	\$ 18,868,713	\$ 18,294,350	\$ -574,363

- **Iowa Veterans Home** – This is a decrease of \$574,000. This includes:
 - A decrease of \$1.0 million available from additional outside revenue as a result of the FY 2008 salary adjustment funds.
 - An increase of \$182,000 for electronic health records touch screens.
 - An increase of \$278,000 for nurse pocket paging systems.
- **Department of Veteran Affairs** – The changes include:
 - An increase of \$300,000 for General Administration. This includes:
 - An increase of \$150,000 to replace one-time FY 2007 funds for 2.0 FTE positions used in FY 2008.
 - An increase of \$150,000 and 3.0 FTE positions for the Veterans Cemetery.
 - A decrease of \$500,000 to eliminate the appropriation for the Veterans Trust Fund and permit the Department to retain the \$5.0 million balance.
 - A decrease of \$150,000 for the Veterans County Grant Program.
 - An increase of \$350,000 for the Vietnam Veterans Bonus Program. For FY 2008, the Program was funded with a \$500,000 appropriation from the Veterans Trust Fund.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Veterans Affairs, Department of</u>			
Vets Home Ownership Prog.-VTF	\$ 200,000	\$ 0	\$ -200,000
VT-Vietnam Veterans Bonus	500,000	0	-500,000
Veterans Home Ownership Assistance - RIIF	1,000,000	1,600,000	600,000
Total Veterans Affairs, Department of	\$ 1,700,000	\$ 1,600,000	\$ -100,000

Significant changes include:

- A decrease of \$200,000 from the Veterans Trust Fund to the Home Ownership Assistance Program. This Program was funded from multiple sources in FY 2008. As of September 30, 2007, there is a remaining balance of \$1.8 million.
- A decrease of \$500,000 from the Veterans Trust Fund to the Vietnam Veterans Bonus Program. The Department of Veterans Affairs FY 2009 General Fund appropriation request includes \$350,000 for this Program. As of September 30, 2007, \$73,000 of the \$500,000 has been expended or committed for the bonuses.
- An increase of \$600,000 from the Rebuild Iowa Infrastructure Fund (RIIF) for the Veterans Home Ownership Assistance Program. From the creation of the Program in April 2005, a total of \$6.0 million has been appropriated from multiple sources, with contingent appropriations of an additional \$500,000. As of September 30, 2007, there is a remaining balance of \$1.7 million.

Issues

Veterans Cemetery – The Subcommittee may want to review the FY 2009 and FY 2010 expenditure commitments for the Veterans Cemetery. The expected opening ceremony is Memorial Day 2008. Utilization is expected to begin in the late summer of 2008.

Expenditure Review – The Subcommittee may want to review first half FY 2008 expenditures of the Veterans Home Ownership Assistance Program, the Injured Veterans Grant Program, and the County Grant Program; the expenditures of the Vietnam Veterans Bonus Program; and the expenditures from the interest and donations to the Veterans Trust Fund for services approved by the Veterans Affairs Commission.

Construction Funds – The Subcommittee may want to review the amount of funds within the Iowa Veterans Home Construction Account and the availability of the Federal Veterans Construction funds to match. The Iowa Veterans Home has a \$100.0 million multi-year Master Plan construction project. An estimated 60.0% of funds for certain construction projects may be available from the federal government. The estimated year of receipt of those funds from the federal government is not available.

Board of Regents

The Board of Regents oversees the University of Iowa Hospitals and Clinics (UIHC) and receives funding for IowaCare through the Health and Human Services Appropriations Subcommittee.

The Board is requesting is requesting FY 2009 other fund appropriations totaling \$47.3 million. This is an increase of \$10.0 million compared to estimated FY 2008.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Regents, Board of</u>			
BOR UIHC - IowaCares Expansion Population	\$ 10,000,000	\$ 20,000,000	\$ 10,000,000
BOR UIHC - IowaCares	27,284,584	27,284,584	0
Total Regents, Board of	\$ 37,284,584	\$ 47,284,584	\$ 10,000,000

The UIHC is requesting an increase of \$10.0 million from the IowaCare account to reflect increased utilization of the IowaCare Program at the UIHC.

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Early Care Best Practices Interim Study Committee

See the Education Appropriations Subcommittee section of this document.

Home-Based Child Care Interim Study Committee

The Home-Based Child Care Interim Study Committee met on July 31, October 10, and November 21, 2007, to receive information and consider options for increasing the number of registered home-based child care providers. At the November 21 meeting, the Committee made the following recommendations for proposed legislation during the 2008 Legislative Session:

- Eliminate corporal punishment in non-registered child care homes.
- Require all provider homes to post whether they are registered and to post that corporal punishment is not allowed in non-registered homes.
- Prevent registered sex offenders from interacting with children in registered or non-registered child care facilities.
- Create a workgroup with various goals, including the establishment of a mandatory registration system as resources become available.

Additional information regarding the Committee's work is available on the web site at <http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=218>.

Commission on Affordable Health Care Plans for Small Businesses and Families

The Legislative Commission on Affordable Health Care Plans for Small Business and Families has met seven times across the State working to make health care more affordable for Iowans. They have not made any recommendations, but have passed guiding principles to lead them through the process. The principles include:

- Coverage and care should be universal or near universal.
- Coverage should be affordable and take into account all health care costs.
- Everyone should have a medical home.
- Health care should be accessible.
- Financing should be a shared responsibility.
- Reforms should drive quality improvements and contain costs.
- Reforms should do no harm.
- Reforms must be sustainable and doable.

The Commission will meet twice more, on December 19 and the final meeting on January 8, 2008. The Commission will present recommendations on January 8. Additional information is available on the web site at <http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=208>.

Mental Health System Redesign

In FY 2008, the General Assembly enacted the State's Mental Health Systems Improvement Act that required the Division of Mental Health and Disability Services (MHDS) of the DHS to form planning workgroups to make recommendations to the MH/MR/DD/BI Commission, the DHS Director, and the General Assembly regarding major changes for improved mental health services in the State. Major recommendations include:

- Increasing the role of the State Mental Health Authority.
- Delineating the role of Community Mental Health Centers as the safety net.
- Emergency Mental Health Crisis Services.
- Children's Mental Health Services.
- Acute Mental Health Systems improvements.
- Information Systems/Data Infrastructure.
- Behavioral Health Workforce Development.
- Revision of code, statute, and regulatory documents.

A report is required to the General Assembly by January 31, 2008.

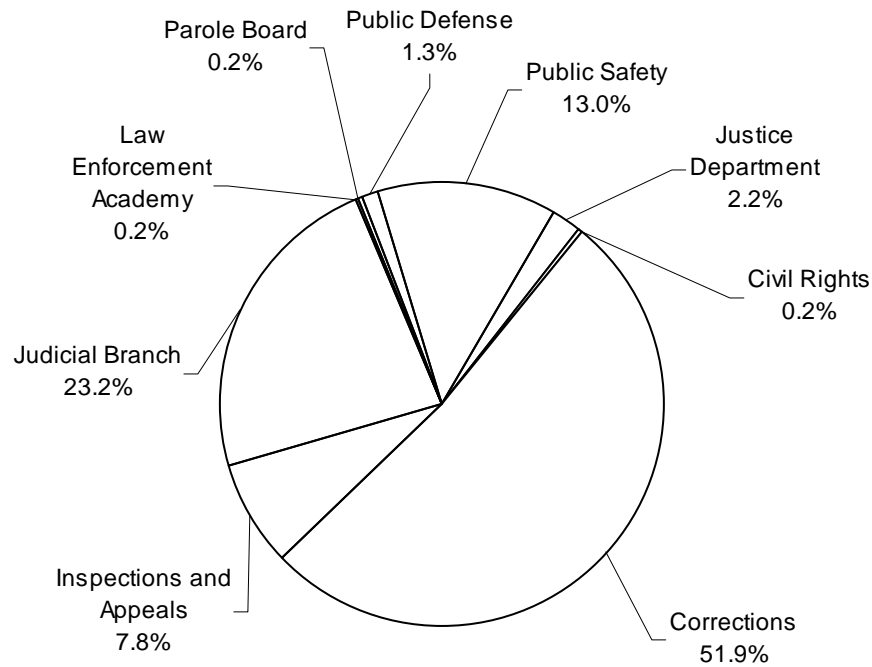
LSA Publications

The following publication has been issued by the LSA that relate to the Health and Human Services Appropriations Subcommittee:

- [Education Benefits for Children of Deceased Veterans](#)

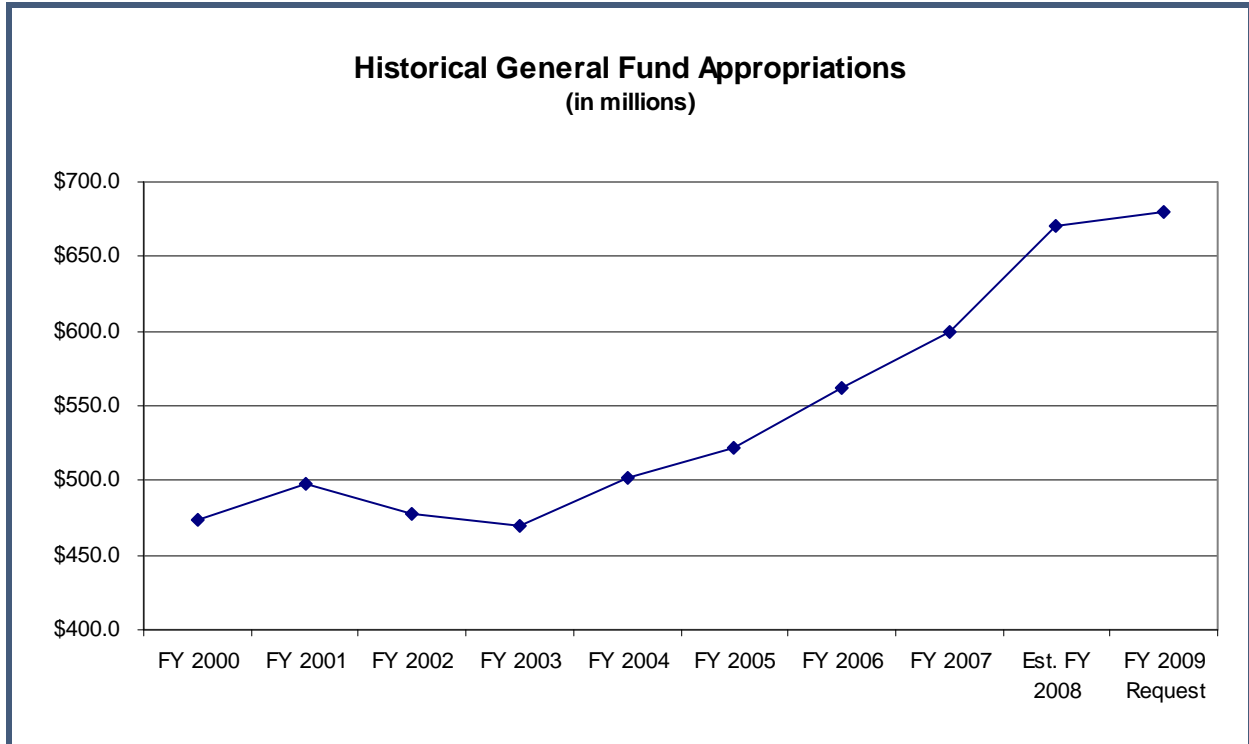
JUSTICE SYSTEM APPROPRIATIONS SUBCOMMITTEE

FY 2009 General Fund Department Requests



FY 2009 General Fund Department Requests

Justice Department	\$ 15,282,616
Civil Rights	1,504,036
Corrections	353,122,046
Inspections and Appeals	53,031,834
Judicial Branch	157,885,796
Law Enforcement Academy	1,289,562
Parole Board	1,256,273
Public Defense	8,703,566
Public Safety	88,082,135
	<u>\$ 680,157,864</u>



FY 2009 DEPARTMENT REQUESTS

Department of Justice

The Attorney General is the head of the Department and is elected by popular vote every four years. The Department is composed of the Attorney General's Office, Prosecuting Attorney Training Coordinator, and the Consumer Advocate's Office. The Department represents the State in all litigation, issues formal and informal opinions and advice to State agencies, prosecutes some criminal offenders and handles all criminal appeals, and administers the following programs: Farm Mediation, Victim Services Grants, and Legal Services Poverty Grants.

The Department is requesting FY 2009 General Fund appropriations totaling \$15.3 million. This is an increase of \$180,000 compared to estimated FY 2008.

General Fund Request

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Justice, Department of</u>			
Justice, Department of			
General Office A.G.	\$ 9,485,145	\$ 9,715,145	\$ 230,000
Victim Assistance Grants	150,000	150,000	0
Legal Services Poverty Grants	2,000,000	2,000,000	0
Farm Mediation Services	300,000	300,000	0
Children in Dissolution Proceedings Pilot Project	50,000	0	-50,000
Total Justice, Department of	\$ 11,985,145	\$ 12,165,145	\$ 180,000
Consumer Advocate			
Consumer Advocate	\$ 3,117,471	\$ 3,117,471	\$ 0
Total Justice, Department of	\$ 15,102,616	\$ 15,282,616	\$ 180,000

Significant changes include:

- An increase of \$230,000 and 2.0 FTE positions for a Senior Fraud Prosecution Unit.
- A decrease of \$50,000 to eliminate funding for the Children in Dissolution Proceedings Pilot Project. This was a new appropriation in FY 2008.

Issues

Charities Unit—The Department is requesting 2.0 FTE positions for a Charities Unit to enforce laws regulating activities of non-profit organizations and charitable trusts in Iowa. The Department is proposing legislation to impose fees on biennial reports filed by domestic non-profit organizations. The Department intends to use the fee revenue to fund the \$215,000 required for the Charities Unit.

Children in Dissolution Proceedings Pilot Project—The Department is requesting that the \$50,000 for the Children in Dissolution Proceedings Pilot Project be eliminated. The Subcommittee may want to review the number of children and families served by the Pilot Project, and any other measures used to determine success of the project during its first year.

Civil Rights Commission

The Commission exists to protect the civil rights of all persons throughout Iowa. The Commission's primary function is to enforce the law through judicial review, investigate discrimination complaints as a neutral fact finder, advocate for compliance with civil rights laws, and educate Iowans to recognize and prevent discrimination.

The Commission is requesting an FY 2009 General Fund appropriation of \$1.5 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Civil Rights Commission</u>			
Civil Rights Commission	\$ 1,504,036	\$ 1,504,036	\$ 0
Total Civil Rights Commission	\$ 1,504,036	\$ 1,504,036	\$ 0

Issues

Federal Funds –The Commission receives approximately 43.5% of its budget from the federal government. The Commission receives federal funds from the Equal Employment Opportunity Commission (EEOC) and the Department of Housing and Urban Development (HUD). Federal funding to the Commission is in the form of performance-based contracts. The amount of federal funding received in a given federal fiscal year is based on the number of civil rights complaints resolved during the previous federal fiscal year. The Commission closed 2,331 cases in FY 2006, resulting in increased federal funds for FY 2007. The increase in case closures was primarily due to instituting a major effort to close old cases. Case closures decreased by 25.4% in FY 2007; therefore, federal funds may decrease in FY 2008.

Department of Corrections

The Department's mission is to protect the public, employees, and offenders from victimization. The Department operates nine prisons to incarcerate legally-committed adult offenders; partners with eight Community-Based Corrections (CBC) District Departments to provide supervision for offenders on parole, probation, work release, and Operating While Intoxicated (OWI) offenses; provides opportunities for offenders to make improvements through various educational, skill development, and counseling programs; trains professional staff; operates Iowa Prison Industries; and provides oversight of local jails.

The Department is requesting FY 2009 General Fund appropriations totaling \$353.1 million. This is a decrease of \$200,000 compared to estimated FY 2008. The Department is also requesting FY 2009 other fund appropriations totaling \$4.0 million. This is no change compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Corrections, Department of</u>			
Community Based Corrections District 1			
CBC District I	\$ 12,706,033	\$ 12,706,033	\$ 0
Community Based Corrections District 2			
CBC District II	\$ 10,080,108	\$ 10,080,108	\$ 0
Community Based Corrections District 3			
CBC District III	\$ 5,903,401	\$ 5,903,401	\$ 0
Community Based Corrections District 4			
CBC District IV	\$ 5,419,406	\$ 5,419,406	\$ 0

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Corrections, Department of, cont.			
Community Based Corrections District 5			
CBC District V	\$ 18,401,003	\$ 18,401,003	\$ 0
Community Based Corrections District 6			
CBC District VI	\$ 12,675,246	\$ 12,475,246	\$ -200,000
Community Based Corrections District 7			
CBC District VII	\$ 7,020,794	\$ 7,020,794	\$ 0
Community Based Corrections District 8			
CBC District VIII	\$ 6,998,544	\$ 6,998,544	\$ 0
Corrections-Central Office			
County Confinement	\$ 1,199,954	\$ 1,199,954	\$ 0
Federal Prisoners/ Contractual	241,293	241,293	0
Corrections Administration	5,050,732	5,050,732	0
Corrections Education	1,570,358	1,570,358	0
Iowa Corrections Offender Network	427,700	427,700	0
Hepatitis Treatment and Education	188,000	188,000	0
Mental Health/Substance Abuse	25,000	25,000	0
Transitional Housing - Comm. Based	30,000	30,000	0
Total Corrections-Central Office	\$ 8,733,037	\$ 8,733,037	\$ 0
Corrections - Fort Madison			
Ft. Madison Institution	\$ 44,512,509	\$ 44,512,509	\$ 0
Corrections - Anamosa			
Anamosa Institution	\$ 30,656,614	\$ 30,656,614	\$ 0
Corrections - Oakdale			
Oakdale Institution	\$ 56,204,468	\$ 56,204,468	\$ 0
Corrections - Newton			
Newton Institution	\$ 27,841,158	\$ 27,841,158	\$ 0
Corrections - Mt Pleasant			
Mt. Pleasant Inst.	\$ 26,331,092	\$ 26,331,092	\$ 0
Corrections - Rockwell City			
Rockwell City Institution	\$ 9,108,454	\$ 9,166,484	\$ 58,030
Corrections - Clarinda			
Clarinda Institution	\$ 25,078,365	\$ 25,078,365	\$ 0
Corrections - Mitchellville			
Mitchellville Institution	\$ 15,878,663	\$ 15,878,663	\$ 0
Corrections - Fort Dodge			
Ft. Dodge Institution	\$ 29,773,151	\$ 29,715,121	\$ -58,030
Total Corrections, Department of	\$ 353,322,046	\$ 353,122,046	\$ -200,000

Significant changes include:

- A decrease of \$200,000 to eliminate FY 2008 one-time costs associated with opening a new residential facility in Cedar Rapids.
- A transfer of \$58,030 and 1.0 FTE position for a correctional officer from the Fort Dodge Correctional Facility to the North Central Correctional Facility at Rockwell City. This request is revenue neutral.

For FY 2009, the Department of Corrections (DOC) submitted a status quo budget as requested by the Governor. However, the Board of Corrections approved submission of an informal request for \$23.2 million for costs associated with food, fuel, pharmacy; Department of Administrative Services (DAS) costs; mandated sex offender treatment and monitoring; Iowa Corrections Offender Network (ICON); additional staff; operating costs of additional residential facility beds in Fort Dodge and Cedar Rapids; replacement of expired federal funds; mental health issues; corrections education; and General Fund replacement of appropriations from the Healthy Iowan's Tobacco Trust. The Board's request also includes \$1.0 million for substance abuse treatment funding administered by the Department of Public Health.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Corrections, Department of</u>			
Community Based Corrections District 1			
CBC District I - HITT	\$ 228,216	\$ 228,216	\$ 0
Community Based Corrections District 2			
CBC District II - HITT	\$ 406,217	\$ 406,217	\$ 0
Community Based Corrections District 3			
CBC District III - HITT	\$ 200,359	\$ 200,359	\$ 0
Community Based Corrections District 4			
CBC District IV - HITT	\$ 291,731	\$ 291,731	\$ 0
Community Based Corrections District 5			
CBC District V - HITT	\$ 355,693	\$ 355,693	\$ 0
Community Based Corrections District 6			
CBC District VI - HITT	\$ 494,741	\$ 494,741	\$ 0
Community Based Corrections District 7			
CBC District VII - HITT	\$ 232,232	\$ 232,232	\$ 0
Community Based Corrections District 8			
CBC District VIII - HITT	\$ 300,000	\$ 300,000	\$ 0
Corrections - Fort Madison			
Ft. Madison CCU - HITT	\$ 1,497,285	\$ 1,497,285	\$ 0
Total Corrections, Department of	\$ 4,006,474	\$ 4,006,474	\$ 0

Issues

Healthy Iowans Tobacco Trust—The DOC receives \$4.0 million from the Healthy Iowan's Tobacco Trust. These appropriations are used to fund drug courts in the CBC District Departments, and to fund operating costs of the District Departments and the Clinical Care Unit at Fort Madison. Due to declining funding in the Healthy Iowan's Tobacco Trust Fund, the Subcommittee may wish to consider other funding sources for these programs.

Inmate Education—The General Fund appropriation for inmate education peaked in FY 2001 at \$3.3 million. The FY 2008 General Fund appropriation is \$1.6 million, a decrease of \$1.7 million (52.3%) compared to FY 2001. Since FY 2001, the DOC has relied on other funding sources, such as carryover funding from the previous year's appropriation, Institution Canteen receipts, and the Telephone Rebate

Fund to provide adult basic education, high school equivalency courses, and vocational courses through the community college system. The DOC is not requesting an increase in the General Fund appropriation for corrections education in FY 2009. Literacy is a significant problem that limits employment for the inmate population and the DOC has focused educational resources on literacy for the past several years. Research suggests that inmate education increases employability of released inmates and reduces recidivism. Vocational education is provided primarily in conjunction with Prison Industries.

Chronic Mental Illness—Approximately 40.0% of the prison population has a chronic or major mental illness. Most will be released to CBC supervision. The DOC operates the largest single mental health facility in the State – the Clinical Care Unit at Fort Madison. The DOC is the largest single provider of mental health treatment in the State.

Department of Inspections and Appeals – State Public Defender

General Fund appropriations for the Department of Inspections and Appeals are the responsibility of the Administration and Regulation Subcommittee, except for the State Public Defender's Office and indigent defense. The State Public Defender's Office administers local public defender's offices; provides legal counsel to indigent convicted criminals on appeals and for post-conviction relief proceedings; is responsible for indigent juvenile cases; and reviews all expense claim reimbursements from private attorneys for indigent defense cases. In FY 1988, the costs of providing legal counsel to indigent criminal defendants and juveniles (indigent defense) were transferred to the State as part of court reorganization. Before FY 1988, these costs were paid by the counties.

The Department is requesting FY 2009 General Fund appropriations totaling \$53.0 million for the State Public Defender and Indigent Defense. This is no change in funding compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Inspections & Appeals, Department of</u>			
Public Defender			
Public Defender	\$ 21,749,296	\$ 21,749,296	\$ 0
Indigent Defense Appropriation	31,282,538	31,282,538	0
Total Inspections & Appeals, Department of	\$ 53,031,834	\$ 53,031,834	\$ 0

Issues

State Public Defender's Office—The State Public Defender's Office expended \$48.8 million in total funds during FY 2007, an increase of \$2.6 million (5.7%) compared to FY 2006. Costs for this constitutionally mandated program have been steadily increasing due to the increase in cases and claims. Since FY 1997, the average annual increase in spending has been 7.5%. From FY 1997 to FY 2007, the number of attorney claims for reimbursement from the Indigent Defense Fund increased by 11.0%, while the number of cases handled by the State Public Defender's Office increased by 2.0%. Senate File 575 (FY 2008 Justice System Appropriations Act) increased the hourly reimbursement rate for court-appointed counsel for staffing certain cases. This was estimated to cost an additional \$300,000 in FY 2009.

Judicial Branch

Iowa has a unified trial court system known as the Iowa District Court that has general jurisdiction over all civil, criminal, juvenile, and probate matters in the State. The Iowa District Court is composed of different kinds of judicial officers with varying amounts of jurisdiction including judicial magistrates, associate juvenile judges, associate probate judges, district associate judges, and district court judges. There are two appellate courts in Iowa's judicial system—the Iowa Supreme Court and the Iowa Court of Appeals. Seven justices sit on the Supreme Court and nine judges form the Court of Appeals.

The Judicial Branch is requesting FY 2009 General Fund appropriations totaling \$157.9 million. This includes both the operating budget and Judicial Retirement. This is an increase of \$9.5 million compared to estimated FY 2008. This is in addition to the \$3.0 million the Judicial Branch is requesting in the salary bill to implement Phase 3 of the Blue Ribbon Commission Report. The Judicial Branch is not requesting an FY 2009 other fund appropriation. This is a decrease of \$2.0 million compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Judicial Branch</u>			
Judicial Branch	\$ 144,945,322	\$ 150,260,170	\$ 5,314,848
Judicial Retirement	3,450,963	7,625,626	4,174,663
Total Judicial Branch	\$ 148,396,285	\$ 157,885,796	\$ 9,489,511

Significant changes include:

- An increase of \$1.0 million and 16.8 FTE positions for Juvenile Court Services, including a District Associate Judge and staff, for the Sixth Judicial District.
- An increase of \$231,000 and 2.8 FTE positions for a District Court Judge and staff for the Fourth Judicial District.
- An increase of \$431,000 for 7.0 FTE positions for Iowa Court Information System (ICIS) staff for the Electronic Document Management System (EDMS) Project.
- An increase of \$225,000 and 1.0 FTE position for education and training.
- An increase of \$132,000 and 2.0 FTE positions for assistant counsel to the Supreme Court.
- An increase of \$990,000 and 23.3 FTE positions for support personnel for the First, Third, Fifth, and Eighth Judicial Districts, and the Court of Appeals.
- An increase of \$775,000 for furniture and equipment for the Third, Fifth, and Eighth Judicial Districts.
- An increase of \$550,000 for a records management consultant and to archive records in the Clerks' Offices.
- An increase of \$967,000 and 1.0 FTE position for an interpreter in the Fifth Judicial District and to provide sound and recording systems for Americans with Disabilities (ADA) and Interpreter Compliance.

- An increase of \$4.2 million for Judicial Retirement. This increases the total General Fund appropriation for Judicial Retirement to \$7.6 million, putting the State's contribution rate at 30.6%. If the Judges contributed the required 6.0% or \$1.5 million, the total contribution rate would be 36.6% or \$9.1 million. This matches the most recent actuarial report.

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Judicial Branch			
Judicial Retirement-Jury Witness Fund	\$ 2,000,000	\$ 0	\$ -2,000,000
Total Judicial Branch	\$ 2,000,000	\$ 0	\$ -2,000,000

In FY 2008, the General Assembly appropriated \$2.0 million in one-time carry forward money from the Jury Witness Fee Revolving Fund to the Judicial Retirement Fund. This appropriation was in addition to the \$3.5 million General Fund appropriation for Judicial Retirement, which increased the employer's contribution amount to \$5.5 million.

Issues

Electronic Document Management System (EDMS) – The Judicial Branch has initiated discussions with the second vendor from the original Request for Proposal (RFP) process. The first vendor's proposal was rejected on material breach over limitation liability. If negotiations are not successful with the second vendor, then the RFP will be modified and reissued. If that occurs, it will extend the project approximately six months. The original cost of the project remains at \$18.0 million and the pilot project counties are still planned for Plymouth and Story in addition to the Court of Appeals. The EDMS project will take approximately four years to be implemented Statewide. The project will be funded from the Enhanced Court Collections Fund.

Mileage Reimbursement Rate Increase – In August 2007, the Judicial Branch increased the mileage reimbursement rate to \$0.40 per mile. This includes mileage reimbursements for jurors and witnesses. As part of the budget request above, the Judicial Branch is requesting \$104,000 for the juvenile court mileage reimbursement increase.

Law Enforcement Academy

The Iowa Law Enforcement Academy (ILEA) provides training for law enforcement officers, jailers, and telecommunicators in the State. The Academy also administers a program of psychological testing for applicants for law enforcement positions, approves regional training programs, establishes hiring standards for peace officers, and provides audio-visual resources for law enforcement training and educational institutions.

The ILEA is requesting an FY 2009 General Fund appropriation of \$1.3 million. This is no change compared to estimated FY 2008.

General Fund Request

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Law Enforcement Academy</u>			
Iowa Law Enforcement Academy	\$ 1,289,562	\$ 1,289,562	\$ 0
Total Law Enforcement Academy	\$ 1,289,562	\$ 1,289,562	\$ 0

Issues

Law Enforcement Academy Class Sizes and Appropriations – In FY 2008, language was included in SF 575 (FY 2008 Justice System Appropriations Act) that allowed the ILEA to charge more than 50.0% of the cost of tuition to help offset a potential revenue shortfall in the operating budget resulting from a decrease in attendees to the Basic Academy. The General Fund appropriation to the Academy for FY 2008 was \$1.3 million. The amount requested for FY 2009 is \$1.3 million. The total cost to attend the Basic Academy in FY 2008 is \$5,957 per person. Tuition for FY 2008 will be 60.0% of the cost to attend or \$3,575 per person. The Academy is requesting continued authority to charge more than 50.0% of the cost of tuition to offset potential revenue shortfalls in FY 2009.

Board of Parole

The Board's mission is to reintegrate offenders into the community. There are offenders that the Board has determined can be released from prison without detriment to the public or themselves. The Board performs risk evaluations for inmates, reviews eligible parole cases, holds parole hearings for eligible inmates, and selects inmates for conditional release on parole and work release. The Board revokes conditional releases and returns to prison those offenders that have failed. The Board also notifies victims of relevant information before a parole hearing, and advises the Governor on matters of executive clemency.

The Board is requesting an FY 2009 General Fund appropriation of \$1.3 million. This is no change compared to estimated FY 2008.

General Fund Request

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Parole, Board of</u>			
Parole Board	\$ 1,256,273	\$ 1,256,273	\$ 0
Total Parole, Board of	\$ 1,256,273	\$ 1,256,273	\$ 0

Department of Public Defense

Two Divisions make up the Department of Public Defense. The Military Division (Iowa National Guard) provides units and equipment to protect life and property, to preserve peace and order, and to ensure public safety for the citizens of Iowa. The Homeland Security and Emergency Management

Division manages risks and hazards with local and federal entities through mitigation, preparedness, response, and recovery initiatives. The Department is requesting FY 2009 General Fund appropriations totaling \$8.7 million. This is no change in funding compared to estimated FY 2008. **General Fund Requests**

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Public Defense, Department of</u>			
Public Defense, Department of			
Public Defense, Department of	\$ 6,311,985	\$ 6,311,985	\$ 0
Civil Air Patrol	120,000	120,000	0
Total Public Defense, Department of	\$ 6,431,985	\$ 6,431,985	\$ 0
<u>Public Defense - Emergency Management Division</u>			
Homeland Security & Emer. Mgmt.	\$ 2,271,581	\$ 2,271,581	\$ 0
Total Public Defense, Department of	\$ 8,703,566	\$ 8,703,566	\$ 0

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Public Defense, Department of</u>			
Public Defense - Emergency Management Division			
911 surcharge to Answering Points	\$ 496,000	\$ 0	\$ -496,000
Total Public Defense, Department of	\$ 496,000	\$ 0	\$ -496,000

The Department is not requesting an FY 2009 other fund appropriation. This is a decrease of \$496,000 compared to estimated FY 2008. The decrease reflects one-time funds that were appropriated in FY 2008 from the E911 Wireless Fund to provide approximately \$4,000 for each of the 122 Public Safety Answering Points (PSAPS) for the purchase of Phase 2 equipment and upgrades.

Issues

Temporary Negative Cash Balance – The Military Division is requesting language for the Homeland Security and Emergency Management Division (HSEMD) to allow a negative cash balance as long as there are federal reimbursable expenses. This would allow the Division to borrow State funds to cover expenses until federal funds are received. The Military Division is in charge of the accounting and payroll system for the HSEMD. The Military Division is trying to eliminate special funds that do not draw interest and move the accounting to one appropriation. This may cause a cash flow problem. Homeland Security can draw funds quickly and they do not have to process claims until federal funds are received, but funds don't always arrive in time to meet the payroll expenses for federally-funded employees.

Department of Public Safety

The Department of Public Safety (DPS) is the State law enforcement agency. The Department includes: Administrative Services Division, Division of Criminal Investigation, Division of Narcotics Enforcement, Fire Marshal's Office, and the State Patrol Division.

The Department is requesting FY 2009 General Fund appropriations totaling \$88.1 million. This is no change in funding compared to estimated FY 2008.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Public Safety, Department of</u>			
Public Safety Administration	\$ 4,180,033	\$ 4,455,581	\$ 275,548
Public Safety DCI	21,729,482	21,606,228	-123,254
Narcotics Enforcement	6,315,289	6,302,046	-13,243
Public Safety Undercover Funds	123,343	123,343	0
DPS Fire Marshal	3,328,952	4,158,394	829,442
Fire Service	836,508	0	-836,508
Iowa State Patrol	50,210,762	50,078,777	-131,985
DPS/SPOC Sick Leave Payout	316,179	316,179	0
Fire Fighter Training	699,587	699,587	0
DCI - Crime Lab Equipment/Training	342,000	342,000	0
Total Public Safety, Department of	\$ 88,082,135	\$ 88,082,135	\$ 0

The Department is requesting the following shifts in funding:

- Reallocate \$83,000 and 1.0 FTE position for the Commission for the Accreditation of Law Enforcement Agencies (CALEA) Accreditation Coordinator from the Division of Criminal Investigation to the Commissioner's Office within the Administration Division.
- Reallocate \$127,000 from the enforcement divisions to the Finance Bureau within the Administration Division for support of the Finance Bureau Chief.
- Reallocate \$65,000 and 1.0 FTE position for a new position in the Technology Services Bureau within the Administration Division dedicated to the creation and maintenance of database applications in the Department.
- Reallocate \$123,000 in resources from the Division of Criminal Investigation to the Administrative Services Division.
- Reallocate \$13,000 in resources from the Division of Narcotics Enforcement to the Administrative Services Division.
- Reallocate \$132,000 in resources from the Iowa State Patrol to the Administrative Services Division.
- Reallocate \$7,000 in resources from the State Fire Marshal's Office to the Administrative Services Division.
- Merge the \$837,000 General Fund appropriation for the Fire Service Training Bureau into the State Fire Marshal's Office to provide fiscal flexibility.

Issues

Division of Criminal Investigation – The Fort Madison casino riverboat is closing November 15. The Racing and Gaming Commission is currently billing the gaming industry \$445,000 annually to offset the cost of DPS Gaming Enforcement Officers and Special Agents at that facility. The revenues are deposited into the General Fund to offset the cost of the appropriation for riverboat enforcement. When the Fort Madison riverboat closes in November, the remaining seven months of the appropriation will not be billed to the riverboat. This results in a \$259,000 reduction in estimated receipts for the General Fund. The General Assembly may want to consider deappropriating \$259,000 from the Department of Public Safety to reflect the decrease in estimated receipts.

Division of Criminal Investigation (DCI) Crime Lab – In FY 2008, the DCI Crime Lab is anticipating a budget shortfall; however, the Department plans to offset this deficit with savings from departmental staff vacancies. The vacancy factor funding will not be available in FY 2009. In FY 2009, the DCI anticipates the need for an additional \$200,000 to maintain the regular case activities and the Convicted Offender Program.

Fire Marshal – House File 897 (Electricians Licensure Act) established a statewide licensure and certification program for electricians and installers and required inspections, established fees, and provided penalties. The Department is estimating hiring between 37.0 and 70.0 FTE positions. The Subcommittee would need to authorize these FTE positions. The Program is funded through fees paid into the Electrician and Installer Licensing and Inspection Fund. The licensing program begins January 1, 2008, and the inspection program begins January 1, 2009. The Program is currently being funded through the Fire Marshal's budget. If revenues from this Program are not sufficient to offset costs by April, the Program may need a supplemental appropriation.

Fuel – Currently, fuel is budgeted for the State Patrol at \$2.00 per gallon (net of taxes) and for the rest of the Department of Public Safety at \$1.70 per gallon (net of taxes). The DPS is not required to pay the \$0.37 tax per gallon. The average cost per gallon for the entire Department in FY 2007 was \$2.11 per gallon (net of taxes). If gas remains at or above \$3.00 per gallon, supplemental funding may be required.

Notice of Allocation Transfer Language – The Department utilized allocation transfer language for the first time in FY 2008 to transfer \$6,800 from the Fire Marshal's Office to the Fire Service Training Bureau. The proposed merger of the Fire Service Training Bureau into the Fire Marshal's Office should alleviate cash flow issues in the future.

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

State Prison System Planning Study Committee

The State Prison System Planning Study Committee met on September 19, October 10, and November 14, 2007. The Committee toured the Iowa State Penitentiary in Fort Madison and the Iowa Corrections Institution for Women at Mitchellville. The Committee also discussed recommendations from the Durrant Report. The Durrant Group is the consultant hired to lead the correctional system study.

The Committee reached the following conclusions:

- Construct a new maximum-security prison for men. The approximate 2007 costs with inflation are \$121.2 million.

- Expand the Iowa Corrections Institution for Women at Mitchellville. The approximate 2007 costs with inflation are \$51.4 million.
- Expand the Newton Correctional Facility. The approximate 2007 costs with inflation are \$25.3 million.
- Expand bed capacity at CBC District Departments. The approximate 2007 costs with inflation are \$41.5 million.
- Limit the need for prison beds by the adoption of policies that will promote more efficient use of State resources, keep Iowans safe, and reduce recidivism rates after release.

The Committee requested the DOC and the Durrant Group to further explore possible future uses of buildings remaining within the walls at the Iowa State Penitentiary. Additional information is available on the web site at <http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=214>.

Criminal Code Reorganization Study Committee

The Criminal Code Reorganization Study Committee met on September 24 and October 30, 2007. The Committee heard presentations on sentencing, drug courts, and the Code of Iowa. The Committee plans to meet in 2008 and has agreed to divide future work into four distinct subcommittees. The first subcommittee will work on foundational issues such as definitions, culpability, defenses, and inchoate crimes. The second subcommittee will review proposals reorganizing the Criminal Code. The third subcommittee will work on sentencing classification and the placement of internal references relating to sentencing in the Code of Iowa. The fourth subcommittee will review proposals relating to specific crimes. Additional information is available on the web site at <http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=211>.

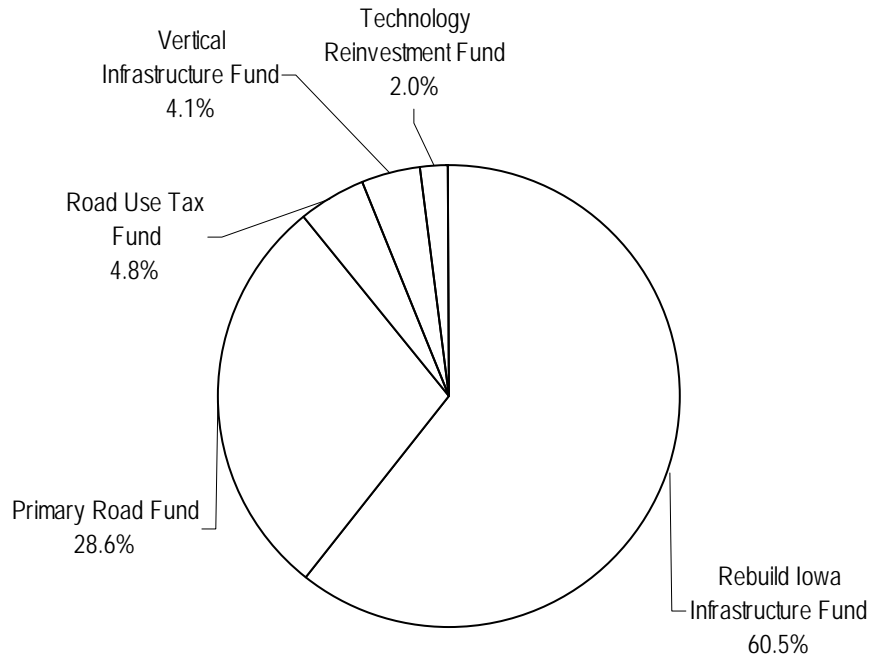
LSA Publications

The following publications have been issued by the LSA that relate to the Justice System Appropriations Subcommittee:

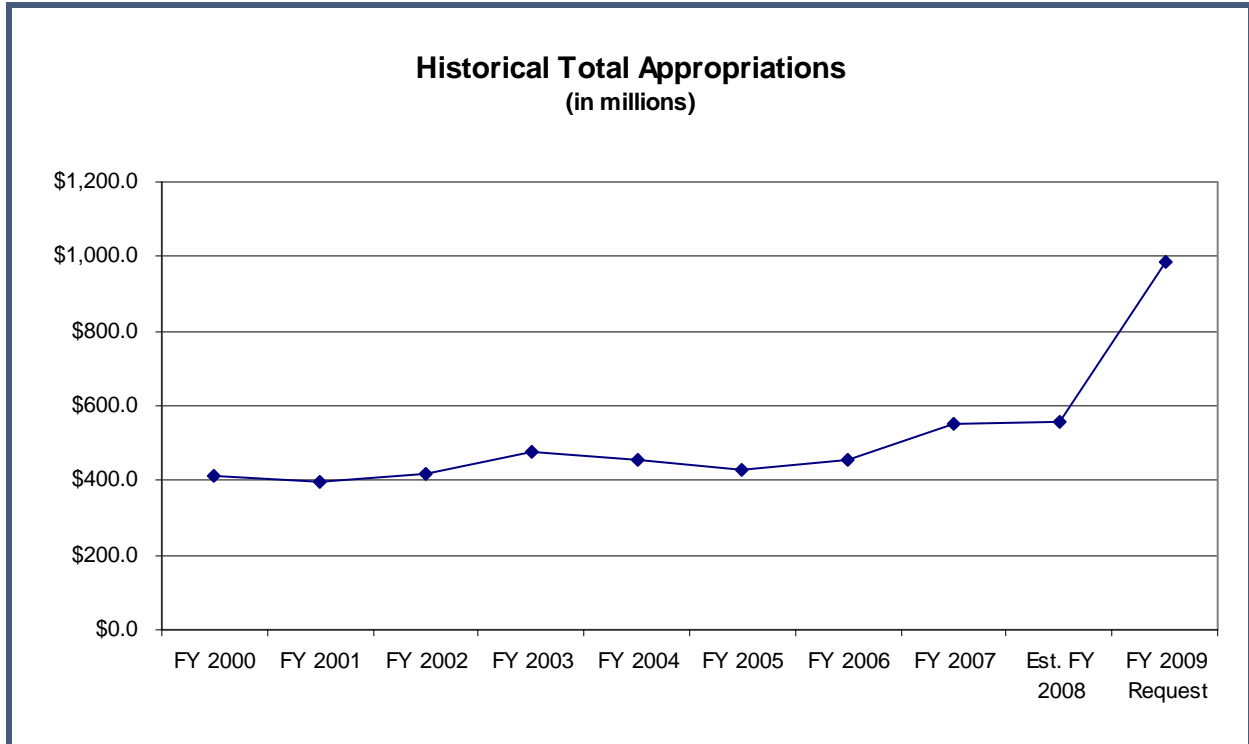
- [Adult Drug Courts](#)
- [Outstanding Court Debt](#)
- [State Fire Marshal's Office](#)

TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS APPROPRIATIONS SUBCOMMITTEE

FY 2009 Department Requests by Funding Source



Rebuild Iowa Infrastructure Fund	\$	595,311,466
Primary Road Fund		281,225,369
Road Use Tax Fund		47,725,636
Vertical Infrastructure Fund		40,000,000
Technology Reinvestment Fund		20,095,537
Total	\$	<u>984,358,008</u>



FY 2009 DEPARTMENT REQUESTS

Department of Transportation

The Department of Transportation's mission is to serve the public by advocating and delivering transportation service that supports the economic, environmental, and social vitality of Iowa. The Department consists of five operating divisions: Operations and Finance; Planning, Programming, and Modal; Motor Vehicle; Information Technology; and Highway. The four operating budget units that receive appropriations to fund the divisions include: Operations, Planning and Programming, Motor Vehicle, and Highways. In addition to the operating budget units, the DOT receives Special Purpose and Capital appropriations that are not part of the operating divisions, but are essential for operation of the Department.

The Department is requesting FY 2009 appropriations totaling \$328.9 million. This is an increase of \$2.1 million compared to estimated FY 2008. The total request includes \$47.7 million from the Road Use Tax Fund and \$281.2 million from the Primary Road Fund.

Road Use Tax Fund and Primary Road Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Transportation, Department of			
Primary Road Fund			
PRF- Highway	\$ 216,812,984	\$ 217,651,984	\$ 839,000
PRF- Operations	39,111,314	39,386,314	275,000
PRF- Planning & Program	9,375,862	9,320,862	-55,000
PRF- DOT Workers' Compensation	2,592,000	2,814,000	222,000
PRF- Waukon Garage	0	2,500,000	2,500,000
PRF- Inventory & Equipment	2,250,000	2,250,000	0
PRF- Motor Vehicle	1,481,497	1,435,497	-46,000
PRF- DAS	1,153,417	1,121,000	-32,417
PRF- Maintenance Garage Improvements	0	1,000,000	1,000,000
PRF- Garage Fuel & Waste Mgmt.	800,000	800,000	0
PRF- Indirect Cost Recoveries	748,000	748,000	0
PRF- Utility Improvements	400,000	400,000	0
PRF- Auditor Reimbursement	376,212	376,212	0
PRF- Field Facility Deferred Maint.	351,500	351,500	0
PRF- DOT Unemployment	328,000	328,000	0
PRF- Transportation Maps	242,000	242,000	0
PRF- Garage Roofing Projects	100,000	200,000	100,000
PRF- HVAC Improvements	100,000	100,000	0
PRF- ADA Improvements	200,000	100,000	-100,000
PRF- Ames Elevator Upgrade	100,000	100,000	0
PRF- Clarinda Garage	2,300,000	0	-2,300,000
Subtotal - Primary Road Fund	\$ 278,822,786	\$ 281,225,369	\$ 2,402,583
Road Use Tax Fund			
RUTF- Motor Vehicle	34,530,525	34,443,525	-87,000
RUTF- Operations	6,367,178	6,411,178	44,000
RUTF- Drivers' Licenses	3,047,000	3,047,000	0
RUTF- County Treasurers Support	1,832,000	1,442,000	-390,000
RUTF- Overdimension Permitting System	0	1,000,000	1,000,000
RUTF- Planning & Programs	493,945	490,945	-3,000
RUTF - Scale Maintenance	100,000	200,000	100,000
RUTF- DAS	188,207	183,000	-5,207
RUTF- Workers' Compensation	108,000	117,000	9,000
RUTF- Indirect Cost Recoveries	102,000	102,000	0
RUTF- Road/Weather Conditions Information	100,000	100,000	0
RUTF- Mississippi River Park. Comm.	40,000	61,000	21,000
RUTF- Auditor Reimbursement	60,988	60,988	0
RUTF- I-35 Corridor Coalition	50,000	50,000	0
RUTF- Unemployment Compensation	17,000	17,000	0
RUTF- IRP/IFTA	1,000,000	0	-1,000,000
Subtotal - Road Use Tax Fund	\$ 48,036,843	\$ 47,725,636	\$ -311,207
Total Transportation, Department of	\$ 326,859,629	\$ 328,951,005	\$ 2,091,376

Significant requests for the Operations budget unit include:

- An increase of \$133,000 for the transfer of 2.0 FTE positions from the Motor Vehicle budget unit to the Operations budget unit.

Significant requests for the Highways budget unit include:

- An increase of \$797,000 for salt costs.
- An increase of \$100,000 for support to maintain additional lane miles added to the State system.

Significant special purpose requests include:

- Overdimension Permitting System – A new request of \$1.0 million for a permitting system designed to automate the process of issuing permits for oversize and overweight vehicles.
- Worker's Compensation Costs – An increase of \$231,000 for an increase in worker's compensation premiums.

Significant capitals requests include:

- New Garage – A request of \$2.5 million to construct a new maintenance garage in Waukon. The Department is typically provided an annual appropriation for a new maintenance garage. For FY 2008, \$2.3 million was appropriated for a new garage in Clarinda.
- Maintenance Garage Improvements – A new request of \$1.0 million for improvements to various maintenance garages throughout the State.

Issues

REAL ID – The federal REAL ID Act was enacted on May 11, 2005. The Act creates national standards for the issuance of State driver's licenses and non-operator identification cards, and is to be implemented by May 11, 2008. After that date, the federal government will no longer recognize a state's driver's license or non-operator identification card for federal purposes, including boarding commercial aircraft, unless it meets the new national standards.

The National Governors Association, the National Conference of State Legislatures, and the American Association of Motor Vehicle Administrators issued a report in September 2006 that stated implementation of REAL ID will cost an estimated \$11.0 billion nationwide over the first five years. This includes a one-time initial cost of \$1.0 billion, and \$10.0 billion for on-going costs. The report also stated that the May 11, 2008, deadline was unrealistic, adding that the federal government should provide additional funding to assist states with implementation.

On March 1, 2007, the U. S. Department of Homeland Security (DHS) released a Notice of Proposed Rulemaking for the REAL ID Act. The Notice is not the final rule, but a draft submitted for public comment. The DHS considered the September 2006 report in drafting the Notice, providing an extension for implementation of REAL ID until December 31, 2009. The Notice requires that states file a request for an extension by February 1, 2008, and inform the DHS of its intention to request an extension by October 1, 2007. States that are granted an extension are to begin issuing compliant licenses and identification cards by January 1, 2010. All licenses and identification cards are to be compliant by May 10, 2013.

Since the Notice was released, the DHS has communicated that states can postpone the decision to request an extension until the final rule is published. The Iowa DOT is delaying the decision to request an extension pending publication of the final rule. The DOT estimates that implementation of REAL ID

could cost Iowa a minimum of \$22.0 million annually. The estimate is based on limited information from the DHS, and does not include numerous unknowns that could increase the cost.

Infrastructure and Capital Requests

State agencies are requesting a total of \$655.4 million for infrastructure-related projects and programs for FY 2009.

Primary infrastructure funding sources include the Rebuild Iowa Infrastructure Fund (RIIF), the Vertical Infrastructure Fund, and the Technology Reinvestment Fund. Of the \$655.4 million in requests, \$595.3 million is being requested from the RIIF, \$40.0 million is being requested from the Vertical Infrastructure Fund, and \$20.1 million from the Technology Reinvestment Fund.

The requests include new construction projects, vertical infrastructure projects, major and routine facility maintenance, environmental projects, and technology projects.

Rebuild Iowa Infrastructure Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Administrative Services - Capitals</u>			
New State Office Bldg	\$ 3,600,000	\$ 23,300,000	\$ 19,700,000
Routine Maintenance	5,000,000	20,000,000	15,000,000
Workforce Bldg Asbestos Removal	1,000,000	12,000,000	11,000,000
Capitol Interior/Exterior	6,300,000	6,200,000	-100,000
Replace Court Ave Bridge	0	6,000,000	6,000,000
Complex Utility Tunnel	260,000	5,309,200	5,049,200
Cap Comp Elect Dist Upgrade	3,460,960	4,470,000	1,009,040
East Parking Lot Restoration	0	3,070,000	3,070,000
Capitol Complex Fire Protection for Central Energy Plant	0	2,000,000	2,000,000
Leases/Assistance	1,824,500	1,824,500	0
Hoover Bldg HVAC Improvements	1,320,000	1,500,000	180,000
West Capitol Terrace	1,600,000	1,050,000	-550,000
Property Acquisition	1,000,000	1,000,000	0
Statewide Demolition Funding	0	1,000,000	1,000,000
Terrace Hill Maintenance	0	956,000	956,000
Civil Commitment Unit for Sexual Offenders - Facility Renovation	0	829,000	829,000
Grimes Office Bldg Planning	0	750,000	750,000
Energy Plant & Additions	998,000	623,000	-375,000
Install Pre-Heat Piping in Lucas Building Air Handlers	0	300,000	300,000
Capitol Complex Master Plan Update	0	250,000	250,000
Cap Comp Alternative Energy	0	200,000	200,000
Hoover Security/Fire Walls Protection	0	165,000	165,000
American Disabled Veterans Memorial	50,000	0	-50,000
Civil Commitment Unit for Sexual Offenders Facility	750,000	0	-750,000
Sidewalk & Parking Lot Repairs	1,650,000	0	-1,650,000
Toledo Education & Infirmary	3,100,000	0	-3,100,000
Vehicle Dispatch Fleet Relocation	350,000	0	-350,000
Workers' Monument	200,000	0	-200,000
DAS Distribution Account	2,000,000	0	-2,000,000
Enterprise Resource Planning-I/3	1,500,000	0	-1,500,000
Total Administrative Services - Capitals	\$ 35,963,460	\$ 92,796,700	\$ 56,833,240
<u>Agriculture and Land Stewardship</u>			
Weights & Measures Scale Trucks	\$ 0	\$ 555,000	\$ 555,000
Total Agriculture and Land Stewardship	\$ 0	\$ 555,000	\$ 555,000

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Corrections Capital</u>			
Iowa State Penitentiary (ISP)	\$ 0	\$ 121,175,000	\$ 121,175,000
Iowa Correctional Institution for Women-ICIW Expansion	0	51,430,000	51,430,000
Major Maintenance	0	36,440,000	36,440,000
Newton Institution (NCF) Bed Expansion	0	25,300,000	25,300,000
CBC Des Moines Bed Expansion	0	21,000,000	21,000,000
Mt. Pleasant/Rockwell City Kitchen Renovations	0	12,500,000	12,500,000
CBC Waterloo Bed Expansion	0	6,833,334	6,833,334
CBC Ottumwa Bed Expansion	0	6,833,333	6,833,333
CBC Sioux City Bed Expansion	0	6,833,333	6,833,333
Security Audit Improvements	0	2,000,000	2,000,000
Anamosa Boiler-additional amount	25,000	0	-25,000
Capitals Request	5,495,000	0	-5,495,000
CBC 6th Cedar Rapids Mental Health Facility	1,300,000	0	-1,300,000
Prison Infrastructure Construction Planning	500,000	0	-500,000
Fort Dodge CBC Facility	2,450,000	0	-2,450,000
ISP Electrical Lease	333,168	0	-333,168
Total Corrections Capital	\$ 10,103,168	\$ 290,345,000	\$ 280,241,832
<u>Cultural Affairs Capital</u>			
Great Places Capitals	\$ 3,000,000	\$ 3,000,000	\$ 0
Historic Preservation	1,000,000	1,000,000	0
Battle Flags	220,000	220,000	0
Kimball Organ Restoration	0	80,000	80,000
Total Cultural Affairs Capital	\$ 4,220,000	\$ 4,300,000	\$ 80,000
<u>Economic Development Capitals</u>			
ACE Infrastructure	\$ 5,500,000	\$ 5,500,000	\$ 0
Community & Tourism Grant Appropriation	5,000,000	5,000,000	0
Workforce Training and Economic Development Fund	2,000,000	2,000,000	0
Targeted Industries Infrastructure	900,000	900,000	0
Regional Sports Authorities	500,000	500,000	0
Total Economic Development Capitals	\$ 13,900,000	\$ 13,900,000	\$ 0
<u>Education Capital</u>			
IPTV Capitals	\$ 1,275,000	\$ 2,303,937	\$ 1,028,937
Community College Infrastructure	2,000,000	2,000,000	0
Enrich Iowa	1,000,000	1,000,000	0
NIECC - Ag Safety	35,000	0	-35,000
Total Education Capital	\$ 4,310,000	\$ 5,303,937	\$ 993,937
<u>Human Services Capital</u>			
Major Projects	\$ 0	\$ 3,162,500	\$ 3,162,500
Health/Safety/Loss	0	1,010,000	1,010,000
Maintenance	0	303,000	303,000
Nursing Facility Financial Assistance	1,000,000	0	-1,000,000
Total Human Services Capital	\$ 1,000,000	\$ 4,475,500	\$ 3,475,500
<u>Iowa Finance Authority</u>			
IFA water quality grants	\$ 4,000,000	\$ 4,000,000	\$ 0
State Housing Trust Fund	2,500,000	3,000,000	500,000
Total Iowa Finance Authority	\$ 6,500,000	\$ 7,000,000	\$ 500,000

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Law Enforcement Academy</u>			
ILEA - Facility Needs Study	\$ 0	\$ 100,000	\$ 100,000
Total Law Enforcement Academy	\$ 0	\$ 100,000	\$ 100,000
<u>Natural Resources Capital</u>			
Lakes Restoration & Water Quality	\$ 8,600,000	\$ 8,600,000	\$ 0
Honey Creek Resort Park	0	8,000,000	8,000,000
State Parks Infrastructure Renovation	2,500,000	2,500,000	0
Lewis & Clark	0	2,000,000	2,000,000
Volga Lake Recreation Area	750,000	750,000	0
Carter Lake Improvements	500,000	500,000	0
Regional Center	0	300,000	300,000
Green Valley	0	100,000	100,000
Lake Delhi Improvements	100,000	100,000	0
Mines of Spain Park	100,000	0	-100,000
Total Natural Resources Capital	\$ 12,550,000	\$ 22,850,000	\$ 10,300,000
<u>Public Safety Capital</u>			
Ottumwa Post 14	\$ 0	\$ 2,700,000	\$ 2,700,000
ISP Garage Land Acquisition	0	1,000,000	1,000,000
State Emergency Response Training Facility	2,000,000	0	-2,000,000
Regional Fire Training Facility	1,400,000	0	-1,400,000
Mason City Patrol Post	2,400,000	0	-2,400,000
Capitol Complex Upgrades	0	750,000	750,000
Total Public Safety Capital	\$ 5,800,000	\$ 4,450,000	\$ -1,350,000
<u>Public Defense Capital</u>			
Gold Star Museum	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000
Facility/Armory Maintenance	1,500,000	1,750,000	250,000
STARCOMM	0	1,600,000	1,600,000
Davenport Aviation Readiness Center Renovation	0	1,500,000	1,500,000
Camp Dodge Storm Shelter & office space	0	1,368,000	1,368,000
Audubon Readiness Center Addition/Alteration	0	900,000	900,000
Charles City Readiness Center Addition/Alteration	0	900,000	900,000
Iowa Falls Readiness Center Addition/Alteration	0	900,000	900,000
Knoxville Readiness Center Addition/Alteration	0	900,000	900,000
Mount Pleasant Readiness Center Addition/Alteration	0	900,000	900,000
Oelwein Readiness Center Addition/Alteration	0	900,000	900,000
Perry Readiness Center Addition/Alteration	0	900,000	900,000
Shenandoah Readiness Center Addition/Alteration	0	900,000	900,000
Newton Readiness Center Construction Design (Phase I)	0	700,000	700,000
Camp Dodge Electrical Distribution System Upgrade/Modernization	0	526,000	526,000
Camp Dodge Swimming Pool Pavilion	0	500,000	500,000
Ottumwa Armory	1,000,000	500,000	-500,000
Camp Dodge Water Project - Phase 3	400,000	410,000	10,000
Cedar Rapids Armed Forces Readiness Center	0	100,000	100,000
Middleton Armed Forces Readiness Center	0	100,000	100,000
Muscatine Armed Forces Readiness Center	0	100,000	100,000
Camp Dodge Readiness Center	50,000	0	-50,000
Eagle Grove Readiness Center	400,000	0	-400,000
Iowa City Readiness Center - Phase 4	1,200,000	0	-1,200,000
Law Enf./Nail Guard Shoot House	500,000	0	-500,000
Newton Readiness Center	400,000	0	-400,000
STARCOMM	2,000,000	0	-2,000,000
Waterloo Aviation Readiness Center - Phase 2	500,000	0	-500,000
Total Public Defense Capital	\$ 8,950,000	\$ 18,354,000	\$ 9,404,000

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Regents Capital</u>			
Fire Safety and Deferred Maintenance	\$ 0	\$ 50,000,000	\$ 50,000,000
ISU - Renewable Fuels Building	5,647,000	14,756,000	9,109,000
SUI Hygienic Laboratory	15,650,000	12,000,000	-3,650,000
SUI - Iowa Institute for Biomedical Discovery	10,000,000	10,000,000	0
Tuition Replacement	10,329,981	0	-10,329,981
Total Regents Capital	\$ 41,626,981	\$ 86,756,000	\$ 45,129,019
<u>Revenue, Dept of</u>			
SAVE Appropriation	\$ 10,000,000	\$ 10,000,000	\$ 0
Total Department of Revenue	\$ 10,000,000	\$ 10,000,000	\$ 0
<u>Secretary of State</u>			
Voting Machine Reimbursement	\$ 2,000,000	\$ 0	\$ -2,000,000
Total Secretary of State	\$ 2,000,000	\$ 0	\$ -2,000,000
<u>State Fair Authority Capital</u>			
Agri. Exhibition Center	\$ 3,000,000	\$ 0	\$ -3,000,000
Total State Fair Authority Capital	\$ 3,000,000	\$ 0	\$ -3,000,000
<u>Transportation, Department of</u>			
Recreational Trails	\$ 2,000,000	\$ 3,000,000	\$ 1,000,000
Public Transit Infrastructure	2,200,000	2,200,000	0
Rail Revolving Loan & Grant Fund	2,000,000	2,000,000	0
Commercial Air Service	1,500,000	1,500,000	0
General Aviation Grants	750,000	1,500,000	750,000
Total Transportation, Department of	\$ 8,450,000	\$ 10,200,000	\$ 1,750,000
<u>Treasurer of State</u>			
County Fair Improvements	\$ 1,590,000	\$ 1,590,000	\$ 0
Total Treasurer of State	\$ 1,590,000	\$ 1,590,000	\$ 0
<u>Veterans Affairs</u>			
Veterans Home Infrastructure Improvements and Construction	\$ 532,000	\$ 20,555,329	\$ 20,023,329
Veterans Affairs Capital Improvements	0	180,000	180,000
Veterans Home Ownership Assistance	1,000,000	1,600,000	600,000
Total Veterans Affairs	\$ 1,532,000	\$ 22,335,329	\$ 20,803,329
<u>Total Rebuild Iowa Infrastructure Fund Requests</u>	\$ 171,495,609	\$ 595,311,466	\$ 423,815,857

Significant RIIF requests include:

- \$121.2 million to replace and add maximum security beds at the Iowa State Penitentiary at Fort Madison.
- \$51.4 million to replace and add beds at the Iowa Correctional Institution for Women at Mitchellville.
- \$50.0 million for fire safety and deferred maintenance projects at Board of Regents institutions.
- \$36.4 million for major maintenance at Department of Corrections institutions.
- \$25.3 million to add beds at the Newton Correctional Facility.
- \$23.3 million for a new State office building to replace the Wallace State Office Building. This appropriation was enacted in HF 911 (FY 2008 Infrastructure Appropriations Act).

- \$20.6 million for the construction and renovation of the Iowa Veterans Home.
- \$14.8 million for construction of a Renewable Fuels Building at Iowa State University. This appropriation was enacted in HF 911 (FY 2008 Infrastructure Appropriations Act).
- \$12.0 million for renovation of the University of Iowa Hygienic Laboratory. This appropriation was enacted in HF 2782 (FY 2007 Infrastructure Appropriations Act).

Issues

Regents Bonding – The Board of Regents is requesting \$50.0 million for fire safety and deferred maintenance; however, the Board received authority to issue up to \$131.4 million in new Academic Revenue Bonds in HF 920 (Regents Bonding Act) enacted during the 2007 Legislative Session. Legislative intent was to provide the funding necessary for numerous projects at Regents universities, including funding for fire safety and deferred maintenance. Included in the legislation was a restriction on the Board from requesting capital funds for new academic buildings until the end of FY 2013. The restriction did not apply to requests for fire safety and deferred maintenance.

Honey Creek Resort Park – House File 875 (FY 2006 Infrastructure Appropriations Act) created the Honey Creek Premier Destination Park Authority and the Honey Creek Premier Destination Park Bond Fund. The Authority was authorized to issue bonds to provide net proceeds of up to \$28.0 million for the development and expansion of the Honey Creek Destination Park located near Lake Rathbun. The bond indenture requires construction of the Park to include a 105-room lodge, a restaurant, an aquatic center and conference facility, an 18-hole golf course, family and group cabins, a sewer facility, a boat ramp, and docking facilities. As of September 2007, the project faces cost overruns of approximately \$9.0 million. In order to meet the requirements in the indenture, the Department of Natural Resources is requesting \$8.0 million in infrastructure appropriations for FY 2009 to construct the cabins.

Prison Construction – The Department of Corrections is requesting \$290.3 million for FY 2009. The majority of the request is for the construction and renovation of several correctional facilities around the State. Budget requests were based on recommendations made by the Durrant Group, Inc., as required by HF 2782 (FY 2007 Infrastructure Appropriations Act). Preliminary discussions on funding possibilities include issuing new prison construction revenue bonds. Debt service on current prison construction bonds, issued beginning in FY 1994, is \$8.4 million a year and is paid by the Prison Infrastructure Fund. The last bond payment for the current prison construction bonds is FY 2016.

Veterans Home – The Department of Veterans Affairs is requesting \$20.6 million for FY 2009 for construction and renovation of the Iowa Veterans Home. The Iowa Veterans Home Master Plan estimates that construction and renovation of the facilities at the Veterans Home will cost \$100.0 million over a 13-year period from FY 2009 to FY 2021. Preliminary discussions on funding possibilities include issuing bonds to provide capital for the multi-year project.

Mercy Capitol Building Acquisition – The Department of Administrative Services (DAS) is in negotiations with Catholic Health Initiatives – Iowa, Corp. for the purchase of the Mercy Capitol Hospital property, located north of the Capitol Complex. The Department proposed the Mercy Hospital purchase for several reasons including providing land for parking for a new State office building and additional work space to relocate employees. The total parcel to be purchased includes 4.7 acres for a price of \$4.5 million. The proposed purchase includes the exchange of parking lots between the State and Mercy Capitol to allow DAS access for staging of construction vehicles for the new State office building. The traded parking lot would become part of the purchase from Mercy Capitol. During the 2007 Legislative Session, HF 911 authorized DAS to use up to \$750,000 of the funds appropriated for the construction of the new

office building as an earnest money deposit on the property purchase, as well as for parking lot improvements required for the exchange of parking lots and the potential demolition or renovation of the existing buildings. The Department's discussions regarding the use of the facility are still ongoing, but plans are moving forward for relocating some off-campus employees into the building.

Vertical Infrastructure Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Administrative Services - Capitals</u>			
Major Maintenance	\$ 40,000,000	\$ 40,000,000	\$ 0
Total Administrative Services - Capitals	\$ 40,000,000	\$ 40,000,000	\$ 0
<u>Administrative Services - Capitals</u>			
Fire Safety and Deferred Maint.	\$ 1,000,000	\$ 0	\$ -1,000,000
ISU - Veterinary Diagnostic Lab	600,000	0	-600,000
Total Administrative Services - Capitals	\$ 1,600,000	\$ 0	\$ -1,600,000
Total Vertical Infrastructure Fund Requests	\$ 41,600,000	\$ 40,000,000	\$ -1,600,000

Issues

Vertical Infrastructure Fund Sunset FY 2009 – In FY 2009, the Vertical Infrastructure Fund (VIF) will receive a \$50.0 million appropriation from the RIIF; however, the VIF appropriation sunsets at the end of FY 2009. The Subcommittee will need to consider whether or not the appropriation should be extended.

Major Maintenance Assessment – The Department of Administrative Services has advised the Legislative Services Agency that a new survey and assessment of major maintenance needs of State facilities will be undertaken this year, with a goal of completing it in time for the FY 2010 budget requests. The assessment completed in 1999 has been used to assist the Department and the Vertical Infrastructure Advisory Committee in prioritizing major maintenance projects throughout the State. For FY 2009, the Department is requesting \$40.0 million for major maintenance.

Technology Reinvestment Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Administrative Services - Capitals</u>			
ITE Pooled Technology	\$ 3,810,375	\$ 6,000,828	\$ 2,190,453
Service Oriented Architecture	254,992	254,992	0
Total Administrative Services - Capitals	\$ 4,065,367	\$ 6,255,820	\$ 2,190,453
<u>Corrections, Department of</u>			
Iowa Corrections Offender Network	\$ 500,000	\$ 500,000	\$ 0
Total Corrections, Department of	\$ 500,000	\$ 500,000	\$ 0

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Cultural Affairs Capital</u>			
Technology	\$ 0	\$ 125,000	\$ 125,000
Total Cultural Affairs Capital	\$ 0	\$ 125,000	\$ 125,000
<u>Education</u>			
Iowa Learning Technologies	\$ 500,000	\$ 0	\$ -500,000
ICN Part III Leases & Maintenance Network	2,727,000	2,727,000	0
Statewide Education Data Warehouse	600,000	0	-600,000
Total Education	\$ 3,827,000	\$ 2,727,000	\$ -1,100,000
<u>Human Rights, Department of</u>			
Infrastructure for Integrating Justice Data Systems	\$ 2,881,466	\$ 1,839,852	\$ -1,041,614
Total Human Rights, Department of	\$ 2,881,466	\$ 1,839,852	\$ -1,041,614
<u>Human Services Capital</u>			
CSRU Payment Processing Equip.	\$ 272,000	\$ 0	\$ -272,000
Total Human Services Capital	\$ 272,000	\$ 0	\$ -272,000
<u>Iowa Telecommunications & Technology Commission</u>			
ICN Voice Platform Redundancy	\$ 0	\$ 2,320,000	\$ 2,320,000
Generator Replacement	0	2,283,742	2,283,742
ICN Equipment Replacement	2,067,000	2,190,123	123,123
Total Iowa Telecommunications & Technology Commission	\$ 2,067,000	\$ 6,793,865	\$ 4,726,865
<u>Iowa Workforce Development</u>			
Automated worker's compensation appeal processing system	\$ 500,000	\$ 0	\$ -500,000
Outcome Tracking System	\$ 580,000	\$ 0	\$ -580,000
Total Iowa Workforce Development	\$ 1,080,000	\$ 0	\$ -1,080,000
<u>Law Enforcement Academy</u>			
ILEA Technology Projects	\$ 0	\$ 115,000	\$ 115,000
Total Law Enforcement Academy	\$ 0	\$ 115,000	\$ 115,000
<u>Public Defense Capital</u>			
Technology Upgrades	\$ 111,000	\$ 80,000	\$ -31,000
Total Public Defense Capital	\$ 111,000	\$ 80,000	\$ -31,000
<u>Public Safety Capital</u>			
AFIS Lease Purchase	\$ 560,000	\$ 560,000	\$ 0
DPS-Iowa System Redundancy	0	500,000	500,000
DPS Radio Replacement	0	450,000	450,000
Technology Projects	1,900,000	134,000	-1,766,000
Total Public Safety Capital	\$ 2,460,000	\$ 1,644,000	\$ -816,000
<u>Regents Capital</u>			
UNI - MyEntreNet	\$ 235,000	\$ 0	\$ -235,000
Total Regents Capital	\$ 235,000	\$ 0	\$ -235,000
<u>Veterans Affairs Capital</u>			
Iowa Department of Veterans Affairs Technology Request	\$ 0	\$ 15,000	\$ 15,000
Total Veterans Affairs Capital	\$ 0	\$ 15,000	\$ 15,000
<u>Total Technology Reinvestment Fund Requests</u>	\$ 17,498,833	\$ 20,095,537	\$ 2,596,704

Significant increases include:

- \$6.0 million for Information Technology Enterprise pooled technology for the Department of Administrative Services. This is an increase of \$2.2 million compared to estimated FY 2008.
- \$2.3 million for the Iowa Communications Network (ICN) Voice Platform Redundancy for the Iowa Telecommunications & Technology Commission. This is a new request to provide a second voice switch at another location on the Capitol Complex.
- \$2.3 million to replace generators at Parts I and II sites of the ICN. This is a new request for the Iowa Telecommunications & Technology Commission.

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

TIME-21 Interim Study Committee

The TIME-21 Interim Study Committee met on October 17 and November 19, 2007. The Committee received information related to generating additional revenues for the Transportation Investment Moves the Economy in the 21st Century (TIME-21) Fund. The Committee is scheduled to hold its final meeting and make recommendations on December 19. Additional information is available on the web site at <http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=210>.

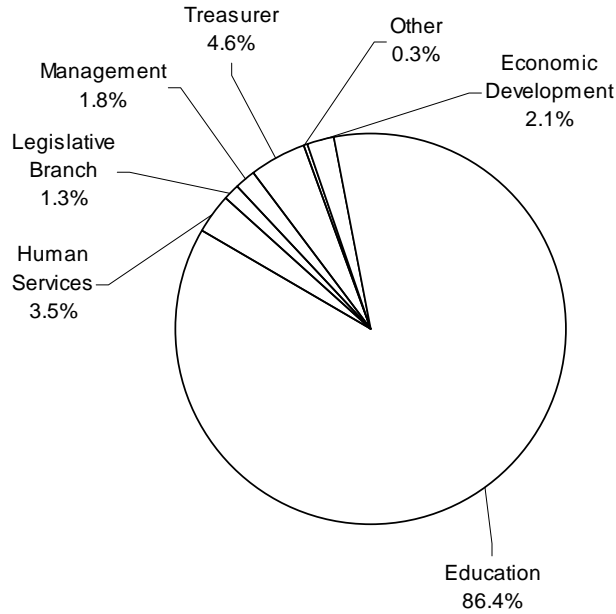
LSA Publications

The following publications have been issued by the LSA that relate to the Transportation, Infrastructure, and Capitals Appropriations Subcommittee:

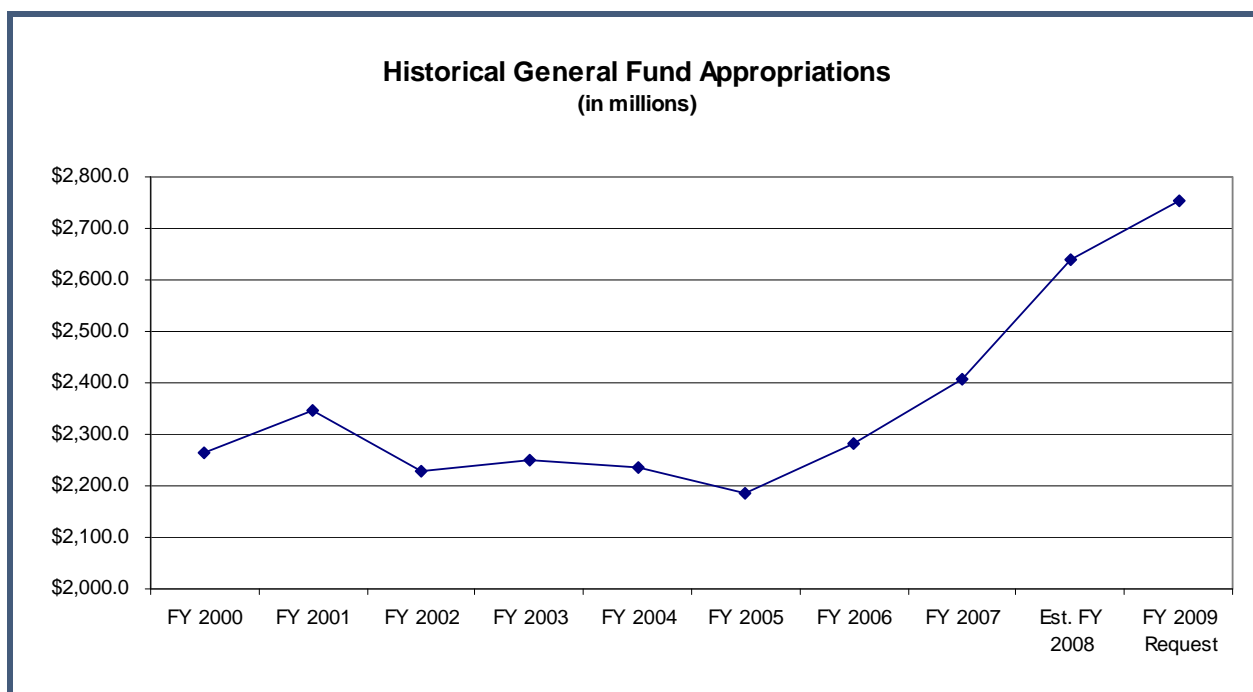
- [Revitalize Iowa's Sound Economy \(RISE\) Program](#)
- [Outstanding Obligations of Selected State Debt](#)

UNASSIGNED STANDING APPROPRIATIONS

FY 2009 General Fund Department Requests



Administrative Services	\$	3,720,784
Public Health		200,000
Corrections		66,370
Economic Development		57,000,000
Education		2,378,758,234
Human Services		95,416,492
Executive Council		2,225,750
Legislative Branch		35,490,681
Governor		3,710
Public Defense		421,639
Management		49,962,500
Revenue		2,177,500
Treasurer		127,600,000
	\$	<u>2,753,043,660</u>



FY 2009 UNASSIGNED STANDING APPROPRIATION ESTIMATES

Unassigned Standing Appropriations

A significant portion of the General Fund budget is appropriated automatically by statute. These appropriations do not fall under the purview of a specific appropriations committee. There are two types of standing appropriations:

- **Standing Limited Appropriations.** These are appropriations of a specific dollar amount. An example is the Indian Settlement Officer pursuant to Section 331.660, Code of Iowa, that states, "There is appropriated annually from the General Fund of the State to the County of Tama the sum of twenty-five thousand dollars to be used by the County only for the payment of the salary and expenses of an additional deputy sheriff for the County."
- **Standing Unlimited Appropriations.** These are appropriations of an unspecified dollar amount. An example is State aid for public schools pursuant to Section 257.16, Code of Iowa, that states, "There is appropriated each year from the General Fund of the State an amount necessary to pay the foundation aid, supplementary aid under section 257.4, subsection 2, and adjusted additional property tax levy aid under section 257.15, subsection 4."

General Fund Standing Appropriations by Department

Illustrated below are the General Fund standing appropriations for FY 2009. These are the amounts specified in statute for the limited appropriations and the estimated need for the unlimited appropriations. The only standing appropriation that shows an increase for FY 2009 is the State aid for public schools. Additional detail about this increase is included at the end of the appropriations tracking table.

General Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Administrative Services, Dept. of</u>			
State Accounting Trust Accounts			
Federal Cash Management Standing	\$ 436,250	\$ 436,250	\$ 0
Unemployment Compensation-State Standing	538,750	538,750	0
Municipal Fire & Police Retirement	2,745,784	2,745,784	0
Total Administrative Services, Dept. of	\$ 3,720,784	\$ 3,720,784	\$ 0
<u>Public Health, Department of</u>			
Congenital & Inherited Disorders Registry	\$ 200,000	\$ 200,000	\$ 0
Total Public Health, Department of	\$ 200,000	\$ 200,000	\$ 0
<u>Corrections, Department of</u>			
Corrections-Central Office			
State Cases Court Costs	\$ 66,370	\$ 66,370	\$ 0
Total Corrections, Department of	\$ 66,370	\$ 66,370	\$ 0
<u>Economic Development, Dept. of</u>			
Community Attraction & Tourism	\$ 7,000,000	\$ 7,000,000	\$ 0
Grow Iowa Values Fund	50,000,000	50,000,000	0
Total Economic Development, Dept. of	\$ 57,000,000	\$ 57,000,000	\$ 0
<u>Education, Department of</u>			
State Foundation School Aid	\$ 2,145,614,028	\$ 2,258,400,000	\$ 112,785,972
Child Development	12,606,196	12,606,196	0
Instructional Support	14,428,271	14,428,271	0
Nonpublic Transportation	8,604,714	8,604,714	0
Early Intervention Block Grant	29,250,000	29,250,000	0
Teacher Excellence Program	55,469,053	55,469,053	0
Total Education, Department of	\$ 2,265,972,262	\$ 2,378,758,234	\$ 112,785,972
<u>Human Services, Department of</u>			
Human Services - General Administration			
Commission Of Inquiry	\$ 1,706	\$ 1,706	\$ 0
Non Residents Transfers	82	82	0
Non Resident Commitment M.III	174,704	174,704	0
Total Human Services - General Administration	\$ 176,492	\$ 176,492	\$ 0
Human Services - Assistance			
MH Property Tax Relief	\$ 95,000,000	\$ 95,000,000	\$ 0
Child Abuse Prevention	240,000	240,000	0
Total Human Services - Assistance	\$ 95,240,000	\$ 95,240,000	\$ 0
Total Human Services, Department of	\$ 95,416,492	\$ 95,416,492	\$ 0

Unassigned Standing Appropriations

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Executive Council</u>			
Performance of Duty	\$ 2,079,500	\$ 2,079,500	\$ 0
Court Costs	73,125	73,125	0
Drainage Assessment	24,375	24,375	0
Public Improvements	48,750	48,750	0
Total Executive Council	\$ 2,225,750	\$ 2,225,750	\$ 0
<u>Legislative Branch</u>			
Legislative Services Agency			
Legislative Branch	\$ 35,521,091	\$ 35,490,681	\$ -30,410
Total Legislative Branch	\$ 35,521,091	\$ 35,490,681	\$ -30,410
<u>Governor</u>			
Interstate Extradition	\$ 3,710	\$ 3,710	\$ 0
Total Governor	\$ 3,710	\$ 3,710	\$ 0
<u>Public Defense, Department of</u>			
Compensation and Expense	\$ 421,639	\$ 421,639	\$ 0
Total Public Defense, Department of	\$ 421,639	\$ 421,639	\$ 0
<u>Management, Department of</u>			
Special Olympics Fund	\$ 50,000	\$ 50,000	\$ 0
Indian Settlement Officer	25,000	25,000	0
Appeal Board Claims	4,387,500	4,387,500	0
Property Tax Credit Fund	28,000,000	28,000,000	0
Technology Reinvestment Fund	17,500,000	17,500,000	0
Total Management, Department of	\$ 49,962,500	\$ 49,962,500	\$ 0
<u>Revenue, Dept. of</u>			
Printing Cigarette Stamps	\$ 152,500	\$ 152,500	\$ 0
Livestock Producers Credit	2,000,000	2,000,000	0
Tobacco Reporting Requirements	25,000	25,000	0
Total Revenue, Dept. of	\$ 2,177,500	\$ 2,177,500	\$ 0
<u>Treasurer of State</u>			
Health Care Trust Fund Transfer	\$ 127,600,000	\$ 127,600,000	\$ 0
Total Treasurer of State	\$ 127,600,000	\$ 127,600,000	\$ 0
Total Unassigned Standing	\$ 2,640,288,098	\$ 2,753,043,660	\$ 112,755,562

School Aid Allowable Growth Increase for FY 2009

During the 2007 Legislative Session, there were four bills enacted that directly impacted the school aid allowable growth amount for FY 2009. They include:

- Senate File 109 (FY 2009 School Aid Allowable Growth Act) established an increase in the cost per pupil allowable growth rate of 4.0% (increased the FY 2009 state cost per pupil by \$213 to \$5,546).

The current estimate of this portion of state aid is \$2,235.5 million, an increase of \$89.9 million (4.2%) compared to estimated FY 2008 state aid.

- Senate File 447 (School District Reorganization and Sharing Incentives Act) provided the following:
 - An extension for whole grade sharing supplementary weighting under certain circumstances through FY 2014. The estimated state aid cost is approximately \$800,000 for FY 2009.
 - Operational function sharing supplementary weighting for school districts and area education agencies (AEAs) for up to five years, with an annual phase-out of 20.0% each year. The estimated state aid impact is approximately \$6.7 million for FY 2009.
- Section 20 of SF 588 (Education Appropriation Act) provided supplementary weighting for school districts providing and receiving classes over the Iowa Communications Network (ICN). The estimated cost of the ICN supplementary weighting in FY 2009 is approximately \$130,000 in state aid.
- House File 877 (Statewide Voluntary Preschool Program for Four-Year-Olds) provides state funding for approved preschool programs. Although this Program is not directly part of the school aid formula, funding for the Program is tied to the school finance formula's state cost per pupil and allowable growth rate. Funding for the program is based on the eligible program's preschool enrollment weighted at 60.0% multiplied by the state cost per pupil. The estimated cost of the Preschool Program in FY 2009 is \$15.3 million.

NOTE: Enrollments, supplementary weightings, and preschool enrollments for the FY 2009 school district budget year have not been finalized by the Department of Education at the time of this publication. That data will be available in December and will impact all FY 2009 (and FY 2010) estimates noted in this section.

The following table provides the estimated school aid changes for FY 2009. Overall state aid is estimated to increase \$112.8 million (5.3%) in FY 2009. Other changes for FY 2009 include:

- School aid property taxes are estimated to increase \$46.1 million (4.1%).
- Property tax adjustment aid increases by \$6.0 million with an additional 15 districts receiving the state aid for property tax relief. Property tax adjustment aid provides property tax relief in the form of state aid for school districts that have high tax rates. The property tax adjustment aid appropriation increases to \$24.0 million in FY 2010 and will remain at that level for future years.
- The fifth year of the phase-out of the budget adjustment (also referred to as the budget guarantee) has a reduction in both the amount of the budget adjustment (a decrease of \$3.0 million) and the number of districts receiving budget adjustment funding (a decrease of 10 districts). The budget adjustment provides additional funds for school districts that may have had a reduction in their budget enrollment from the previous year. The budget adjustment is funded entirely through local property taxes.

FY 2008 and FY 2009 School Aid Totals (Dollar in Millions)									
	State Aid Before New Weightings and Preschool Program	New Supplementary Weighting	Preschool State Aid	Total State Aid	Property Tax	Property Tax Adjustment Aid	# of Districts Receiving Prop. Tax Adj. Aid	Budget Adjustment	# of Districts Receiving Budget Adj.
FY 2009	\$ 2,235.5	\$ 7.6	\$ 15.3	\$ 2,258.4	\$ 1,166.6	\$ 18.0	65	\$ 7.3	114
FY 2008	2,145.6	NA.	NA.	2,145.6	1,120.5	12.0	50	10.3	124
Change	\$ 89.9	\$ 7.6	\$ 15.3	\$ 112.8	\$ 46.1	\$ 6.0	15	\$ -3.0	-10

Unassigned Standing Appropriations

School Aid Allowable Growth Increase for FY 2010

The 2008 General Assembly is required to establish the school finance formula's cost per pupil allowable growth rate for FY 2010. The following table provides funding amounts at various allowable growth rates for FY 2010 and the changes compared to estimated FY 2009. In general, a 1% change in the allowable growth rate equates to approximately a \$29.0 million change in State aid.

Estimated FY 2010 School Aid Amounts at Various Allowable Growth Rates (Dollars in Millions)							
Allowable Growth Rate	Total State Aid	State Aid Change vs Est. FY 2009	School Aid Property Tax	Property Tax Change vs Est. FY 2009	Budget Adjustment	# of School Districts Receiving Budget Adjustment	
2.0%	\$ 2,311.3	\$ 52.8	\$ 1,208.6	\$ 42.0	\$ 13.6	197	
3.0%	2,339.7	81.3	1,208.2	41.6	7.7	133	
4.0%	2,368.7	110.3	1,211.4	44.8	5.4	95	
5.0%	2,397.1	138.7	1,215.8	49.1	4.2	75	
6.0%	2,426.1	167.7	1,220.7	54.1	3.6	60	
7.0%	2,454.6	196.1	1,225.8	59.2	3.2	55	
8.0%	2,483.6	225.1	1,230.9	64.3	2.8	51	
Property Tax Adjustment Aid will total \$24.0 million with approximately 80 districts receiving the aid in FY 2010.							

Other Fund Requests

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
<u>Human Services, Department of</u>			
Human Services - Assistance			
MH Costs for Children under 18-MH Property Tax Relief Fund	\$ 6,600,000	\$ 6,600,000	\$ 0
Total Human Services, Department of	\$ 6,600,000	\$ 6,600,000	\$ 0
<u>Legislative Branch</u>			
Legislative Services Agency			
LSA - Affordable Health Care-HCTF	\$ 500,000	\$ 500,000	\$ 0
Total Legislative Branch	\$ 500,000	\$ 500,000	\$ 0
<u>Management, Department of</u>			
Environment First Fund-RIIF	\$ 40,000,000	\$ 40,000,000	\$ 0
Environment First Balance Adj	-40,000,000	-40,000,000	0
Vertical Infrastructure Fund-RIIF	50,000,000	50,000,000	0
Vertical Infrastructure Fund Bal. Adj.	-50,000,000	-50,000,000	0
Total Management, Department of	\$ 0	\$ 0	\$ 0
<u>Treasurer of State</u>			
Healthy Iowans Tobacco Trust-ENDW	\$ 60,139,379	\$ 60,139,379	\$ 0
Healthy Iowans Tobacco Trust Bal Adj	-60,139,379	-60,139,379	0
Total Treasurer of State	\$ 0	\$ 0	\$ 0

	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
Revenue, Dept. of			
Homestead Property Tax Credit - PTCF	\$ 99,254,781	\$ 99,254,781	\$ 0
Agricultural Land and Family Farm Tax Credits - PTCF	34,610,183	34,610,183	0
Military Service Tax Credit - PTCF	2,800,000	2,800,000	0
Elderly and Disabled Tax Credit and Reimbursement - PTCF	23,204,000	23,204,000	0
Total Revenue, Dept. of	\$ 159,868,964	\$ 159,868,964	\$ 0
Transportation, Department of			
Personal Delivery of Services DOT-RUTF	\$ 225,000	\$ 225,000	\$ 0
County Treasurer Equipment Standing-RUTF	650,000	650,000	0
Total Transportation, Department of	\$ 875,000	\$ 875,000	\$ 0
Total Unassigned Standing	\$ 167,843,964	\$ 167,843,964	\$ 0

Property Tax Credits for FY 2009

For the past several years the standing appropriations for the Homestead Property Tax Credit, Agricultural Land and Family Farm Tax Credit, Military Service Tax Credit, and Elderly and Disabled Tax Credit and Reimbursement have been capped. In FY 2007 and FY 2008, the appropriations totaled \$159.9 million. The tax credits have been funded from the Property Tax Credit Fund. This Fund received an FY 2008 appropriation of \$131.9 million from the year-end General Fund surplus prior to its appropriation and distribution to the Senior Living Trust Fund and the Cash Reserve Fund and a \$28.0 million appropriation from the General Fund. Legislative action will be required to make appropriations to the Fund for FY 2009. This item is included in the Projected FY 2009 Built-in and Anticipated General Fund Expenditures (**Appendix B**).

The Department of Revenue has requested FY 2009 funding of the four property tax credits from the Property Tax Credit Fund at the same level as in FY 2008. The request funds the property tax credits as follows:

- \$99.3 million for the Homestead Property Tax Credit. This is a decrease of \$3.4 million compared to the FY 2008 appropriation, to shift \$3.4 million to the Elderly and Disabled Tax Credit and Reimbursement. The projected demand for Homestead Property Tax Credit claims is \$139.0 million, which is \$39.7 million more than the amount being requested.
- \$34.6 million for the Agricultural Land and Family Farm Tax Credit. This is no change compared to the FY 2008 appropriation. The statutory funding for Agricultural Land and Family Farm Tax Credit is \$39.1 million, which is \$4.5 million more than the amount being requested.
- \$2.8 million for the Military Service Tax Credit, which is no change compared to the FY 2008 appropriation and fully funds the projected demand.
- \$23.2 million for the Elderly and Disabled Tax Credit and Reimbursement, which is an increase of \$3.4 million compared to the FY 2008 appropriation and fully funds the projected demand.

APPROPRIATIONS TRACKING

COMMON ACRONYMS USED IN THE APPROPRIATIONS TABLES

CPB =	Corporation for Public Broadcasting
CSG =	Community Service Grant
DE =	Department of Education
EFF =	Environment First Fund
ENDW =	Endowment for Iowa Health Account (Tobacco Settlement Trust Fund)
ESCF =	Employment Security Contingency Fund
ESEA =	Elementary and Secondary Education Act
FES =	Federal Economic Stimulus Fund
GIVF =	Grow Iowa Values Fund
GTF =	Gamblers Treatment Fund
GWF =	Ground Water Fund
HCTF =	Health Care Trust Fund
HITT =	Healthy Iowans Tobacco Trust Fund
ICA =	Iowa Care Account
ISU =	Iowa State University
LSTA =	Library Service and Technology Act
MHI =	Mental Health Institute
NAEP =	National Assessment of Educational Progress
NCES =	National Center for Education Statistics

Appendix A – Appropriations Tracking

NTIA =	National Telecommunications and Information Administration
PRF =	Primary Road Fund
PTRF =	Property Tax Relief Fund
PTCF =	Property Tax Credit Fund
RC2 =	Endowment for Iowa Health Restricted Capitals Fund (Tobacco Settlement Trust Fund)
RCF =	Restricted Capital Fund (Tobacco Settlement Trust Fund)
RIIF =	Rebuild Iowa Infrastructure Fund
RUTF =	Road Use Tax Fund
SAF =	State Aviation Fund
SLTF =	Senior Living Trust Fund
SUI =	University of Iowa
TANF =	Temporary Assistance for Needy Families
TRF =	Technology Reinvestment Fund
TSB =	Targeted Small Business
UNI =	University of Northern Iowa
UST =	Underground Storage Tank Fund
VIF =	Vertical Infrastructure Fund
VTF =	Veterans Trust Fund

Summary Data

General Fund

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
Administration and Regulation	\$ 87,986,492	\$ 110,237,110	\$ 94,889,609	\$ -15,347,501
Agriculture and Natural Resources	39,614,264	43,638,037	41,559,331	-2,078,706
Economic Development	65,975,308	42,656,535	72,056,536	29,400,001
Education	1,005,922,486	1,182,758,943	1,335,709,926	152,950,983
Health and Human Services	1,189,136,354	1,169,210,414	1,255,305,405	86,094,991
Justice System	594,482,031	670,688,353	680,157,864	9,469,511
Transportation, Infrastructure, and Capitals	1,000,000	0	0	0
Unassigned Standing	<u>2,408,774,160</u>	<u>2,640,288,098</u>	<u>2,753,043,660</u>	<u>112,755,562</u>
Grand Total	<u><u>\$ 5,392,891,095</u></u>	<u><u>\$ 5,859,477,490</u></u>	<u><u>\$ 6,232,722,331</u></u>	<u><u>\$ 373,244,841</u></u>

Administration and Regulation

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Administrative Services, Dept. of</u>				
Administrative Services				
Administrative Services, Dept.	\$ 6,096,632	\$ 6,469,186	\$ 6,469,186	\$ 0
Utilities	4,080,865	3,824,800	3,824,800	0
Financial Administration	200,000	0	0	0
Shuttle Service	0	120,000	120,000	0
Total Administrative Services, Dept. of	\$ 10,377,497	\$ 10,413,986	\$ 10,413,986	\$ 0
<u>Auditor of State</u>				
Auditor Of State				
Auditor of State - General Office	\$ 1,211,873	\$ 1,249,178	\$ 1,348,940	\$ 99,762
Total Auditor of State	\$ 1,211,873	\$ 1,249,178	\$ 1,348,940	\$ 99,762
<u>Commerce, Department of</u>				
Alcoholic Beverages				
Alcoholic Beverages Operations	\$ 2,057,289	\$ 2,079,509	\$ 2,079,509	\$ 0
Banking Division				
Banking Division	\$ 7,594,741	\$ 8,200,316	\$ 8,200,316	\$ 0
Professional Licensing and Regulation				
Professional Licensing Bureau	\$ 898,343	\$ 945,982	\$ 945,982	\$ 0
Credit Union Division				
Credit Union Division	\$ 1,517,726	\$ 1,671,740	\$ 1,631,740	\$ -40,000
Insurance Division				
Insurance Division	\$ 4,655,809	\$ 4,857,123	\$ 4,857,123	\$ 0
Utilities Division				
Utilities Division	\$ 7,266,919	\$ 7,573,402	\$ 7,573,402	\$ 0
Total Commerce, Department of	\$ 23,990,827	\$ 25,328,072	\$ 25,288,072	\$ -40,000
<u>Ethics and Campaign Disclosure</u>				
Campaign Finance Disclosure Commission				
Ethics & Campaign Disclosure Board	\$ 512,669	\$ 532,122	\$ 527,122	\$ -5,000
Total Ethics and Campaign Disclosure	\$ 512,669	\$ 532,122	\$ 527,122	\$ -5,000

Administration and Regulation

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Inspections & Appeals, Department of</u>				
Inspections and Appeals, Department of				
Administration Division	\$ 1,711,675	\$ 2,209,075	\$ 2,209,075	\$ 0
Administrative Hearings Division	680,533	708,962	708,962	0
Investigations Division	1,526,415	1,599,591	1,599,591	0
Health Facilities Division	2,412,647	2,498,437	2,498,437	0
Employment Appeal Board	56,294	58,117	58,117	0
Child Advocacy Board	2,218,308	2,751,058	2,751,058	0
Targeted Small Business Cert.	150,000	0	0	0
Total Inspections and Appeals, Department of	\$ 8,755,872	\$ 9,825,240	\$ 9,825,240	\$ 0
<u>Racing Commission</u>				
Pari-Mutuel Regulation	\$ 2,671,410	\$ 2,790,551	\$ 2,827,266	\$ 36,715
Riverboat Regulation	3,199,440	3,207,944	3,171,229	-36,715
Total Racing Commission	\$ 5,870,850	\$ 5,998,495	\$ 5,998,495	\$ 0
Total Inspections & Appeals, Department of	\$ 14,626,722	\$ 15,823,735	\$ 15,823,735	\$ 0
<u>Governor</u>				
<u>Governor's Office</u>				
Governor/Lt. Governor's Office	\$ 1,945,326	\$ 2,224,462	\$ 2,224,462	\$ 0
Terrace Hill Quarters	506,310	492,593	492,593	0
Administrative Rules Coordinator	154,755	158,873	158,873	0
National Governor's Association	80,600	80,600	80,600	0
State-Federal Relations	123,927	131,222	131,222	0
Total Governor	\$ 2,810,918	\$ 3,087,750	\$ 3,087,750	\$ 0
<u>Governor's Office of Drug Control Policy</u>				
<u>Office of Drug Control Policy</u>				
Drug Policy Coordinator	\$ 309,048	\$ 346,731	\$ 346,731	\$ 0
Drug Task Forces	0	1,400,000	0	-1,400,000
Total Governor's Office of Drug Control Policy	\$ 309,048	\$ 1,746,731	\$ 346,731	\$ -1,400,000

Administration and Regulation

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Human Rights, Department of</u>				
Human Rights, Department of				
Human Rights Administration	\$ 326,425	\$ 356,535	\$ 341,535	\$ -15,000
Deaf Services	390,315	413,700	413,700	0
Asian and Pacific Islanders	86,000	127,093	127,093	0
Persons with Disabilities	194,212	206,221	206,221	0
Latino Affairs	179,433	191,035	191,035	0
Status of Women	343,555	353,203	353,203	0
Status of African Americans	134,725	372,066	172,066	-200,000
Criminal & Juvenile Justice	1,098,026	1,587,333	1,587,333	0
Total Human Rights, Department of	\$ 2,752,691	\$ 3,607,186	\$ 3,392,186	\$ -215,000
<u>Management, Department of</u>				
Management, Department of				
Department Operations	\$ 2,313,941	\$ 3,178,337	\$ 3,178,337	\$ 0
Salary Adjustment Fund	0	13,937,263	0	-13,937,263
Enterprise Resource Planning	119,435	0	0	0
Salary Model Administrator	131,792	0	0	0
Local Government Innovation Fund	300,000	300,000	300,000	0
Performance Audits	108,000	0	0	0
DOM - LEAN/Process Improvement	108,000	0	0	0
Total Management, Department of	\$ 3,081,168	\$ 17,415,600	\$ 3,478,337	\$ -13,937,263
<u>Revenue, Dept. of</u>				
Revenue, Department of				
Revenue, Department of	\$ 24,460,828	\$ 26,472,699	\$ 26,472,699	\$ 0
Tax Amnesty-Auditing and Enforcement	0	150,000	0	-150,000
Total Revenue, Dept. of	\$ 24,460,828	\$ 26,622,699	\$ 26,472,699	\$ -150,000
<u>Secretary of State</u>				
Secretary of State				
Admin/Elections/Voter Reg	\$ 734,580	\$ 1,370,063	\$ 1,670,063	\$ 300,000
Secretary of State-Business Services	2,155,151	2,012,018	2,012,018	0
Total Secretary of State	\$ 2,889,731	\$ 3,382,081	\$ 3,682,081	\$ 300,000

Administration and Regulation

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Treasurer of State</u>				
Treasurer of State				
Treasurer - General Office	\$ 962,520	\$ 1,027,970	\$ 1,027,970	\$ 0
Total Treasurer of State	\$ 962,520	\$ 1,027,970	\$ 1,027,970	\$ 0
Total Administration and Regulation	\$ 87,986,492	\$ 110,237,110	\$ 94,889,609	\$ -15,347,501

Agriculture and Natural Resources

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Agriculture and Land Stewardship</u>				
Agriculture and Land Stewardship				
Administrative Division	\$ 18,456,595	\$ 19,278,172	\$ 19,278,172	\$ 0
Chronic Wasting Disease	100,000	100,000	100,000	0
Regulatory Dairy Products	693,166	951,666	951,666	0
Avian Influenza	50,000	50,000	50,000	0
Apiary Program	40,000	40,000	40,000	0
Soil Commissioners Expense	250,000	250,000	250,000	0
Sr. Farmers Market Program	77,000	77,000	77,000	0
Missouri River Authority	9,535	0	0	0
Gypsy Moth Control - GF	0	50,000	50,000	0
Emerald Ash Borer Public Awareness Project	0	50,000	50,000	0
Emergency Veterinarian Rapid Response Services	0	130,000	130,000	0
Organic Agricultural Products	0	54,671	54,671	0
Grape & Wine Development Fund	0	283,000	283,000	0
IA Jr. Angus Program	0	10,000	0	-10,000
Total Agriculture and Land Stewardship	\$ 19,676,296	\$ 21,324,509	\$ 21,314,509	\$ -10,000
<u>Natural Resources, Department of</u>				
Natural Resources				
Natural Resources Operations	\$ 18,937,968	\$ 20,244,822	\$ 20,244,822	\$ 0
Total Natural Resources, Department of	\$ 18,937,968	\$ 20,244,822	\$ 20,244,822	\$ 0
<u>Regents, Board of</u>				
Regents, Board of				
ISU Veterinary Diagnostic Laboratory	\$ 1,000,000	\$ 2,068,706	\$ 0	\$ -2,068,706
Total Regents, Board of	\$ 1,000,000	\$ 2,068,706	\$ 0	\$ -2,068,706
Total Agriculture and Natural Resources	\$ 39,614,264	\$ 43,638,037	\$ 41,559,331	\$ -2,078,706

Economic Development General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Cultural Affairs, Department of</u>				
Cultural Affairs, Department of				
Administration Division	\$ 245,101	\$ 255,418	\$ 255,418	\$ 0
Community Cultural Grants	299,240	299,240	299,240	0
Historical Division	3,392,865	3,763,782	3,763,782	0
Historic Sites	554,166	576,395	576,395	0
Arts Division	1,207,611	1,246,392	1,246,392	0
Great Places	305,794	322,231	322,231	0
Archiving Former Governor's Papers	77,348	82,171	82,171	0
Records Center Rent	0	185,768	185,768	0
Arts Ed. and Enrichment Prog.	5,000	0	0	0
African-American Hist. Museum	160,000	0	0	0
Hist. Resource Dev. Emerg. Grants	250,000	0	0	0
Community Cultural Grants - AGR	0	520,000	520,000	0
Iowa Caucus Project	500,000	0	0	0
Total Cultural Affairs, Department of	\$ 6,997,125	\$ 7,251,397	\$ 7,251,397	\$ 0
<u>Economic Development, Dept. of</u>				
Economic Development, Department of				
Economic Dev. Administration	\$ 2,044,530	\$ 2,125,661	\$ 2,125,661	\$ 0
Business Development	6,300,160	6,611,963	6,611,964	1
Community Development Division	5,798,640	6,448,716	6,448,716	0
World Food Prize	400,000	450,000	450,000	0
Endow Iowa Grants	50,000	50,000	50,000	0
Tourism Marketing - AGR	0	1,100,000	1,100,000	0
TSB Financial Assistance	2,500,000	0	0	0
TSB Marketing and Compliance	225,000	0	0	0
TSB Process Improvement & Admin.	225,000	0	0	0
TSB Advocacy Centers	900,000	0	0	0
Total Economic Development, Dept. of	\$ 18,443,330	\$ 16,786,340	\$ 16,786,341	\$ 1

Economic Development General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Iowa Finance Authority</u>				
Iowa Finance Authority				
Entrepreneurs with Disabilities	\$ 200,000	\$ 200,000	\$ 200,000	\$ 0
Total Iowa Finance Authority	\$ 200,000	\$ 200,000	\$ 200,000	\$ 0
<u>Regents, Board of</u>				
Regents, Board of				
ISU - Economic Development	\$ 2,463,557	\$ 2,789,625	\$ 0	\$ -2,789,625
SUI - Economic Development	247,005	259,206	0	-259,206
UNI - Economic Development	361,291	578,608	0	-578,608
BOR Economic Development	0	0	8,027,439	8,027,439
Total Regents, Board of	\$ 3,071,853	\$ 3,627,439	\$ 8,027,439	\$ 4,400,000
<u>Iowa Workforce Development</u>				
Iowa Workforce Development				
IWD General Fund - Operations	\$ 5,568,762	\$ 6,341,284	\$ 6,341,284	\$ 0
Workforce Development Field Offices	5,951,014	7,216,792	7,216,792	0
Total Iowa Workforce Development	\$ 11,519,776	\$ 13,558,076	\$ 13,558,076	\$ 0
<u>Public Employment Relations Board</u>				
Public Employment Relations Board				
PER Board - General Office	\$ 1,073,224	\$ 1,233,283	\$ 1,233,283	\$ 0
Total Public Employment Relations Board	\$ 1,073,224	\$ 1,233,283	\$ 1,233,283	\$ 0
<u>Energy Independence</u>				
Office of Energy Independence				
Iowa Power Fund	\$ 24,670,000	\$ 0	\$ 25,000,000	\$ 25,000,000
Total Energy Independence	\$ 24,670,000	\$ 0	\$ 25,000,000	\$ 25,000,000
Total Economic Development	\$ 65,975,308	\$ 42,656,535	\$ 72,056,536	\$ 29,400,001

Education General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Blind, Iowa Commission for the</u>				
Blind, Department of				
Department for the Blind	\$ 2,004,747	\$ 2,484,953	\$ 2,484,953	\$ 0
Total Blind, Iowa Commission for the	\$ 2,004,747	\$ 2,484,953	\$ 2,484,953	\$ 0
<u>College Aid Commission</u>				
College Student Aid Commission				
College Aid Commission	\$ 376,053	\$ 390,685	\$ 390,685	\$ 0
Iowa Grants	1,029,784	1,070,976	1,070,976	0
DSM University-Osteopathic Loans	100,000	100,000	100,000	0
DSM University-Physician Recruit.	346,451	346,451	346,451	0
National Guard Benefits Program	3,725,000	3,800,000	3,800,000	0
Teacher Shortage Loan Forgiveness	285,000	485,400	485,400	0
All Iowa Opportunity Scholarships	0	1,500,000	1,500,000	0
College Work Study	140,000	295,600	295,600	0
Tuition Grant Program-Standing	46,506,218	48,373,718	48,373,718	0
Vocational Technical Tuition Grant	2,533,115	2,783,115	2,783,115	0
Tuition Grant - For-Profit	5,167,358	5,374,858	5,374,858	0
Total College Aid Commission	\$ 60,208,979	\$ 64,520,803	\$ 64,520,803	\$ 0

Education

General Fund

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
Education, Department of				
Education, Department of				
Administration	\$ 5,919,382	\$ 8,320,341	\$ 9,370,341	\$ 1,050,000
Administrator Mentoring	0	250,000	250,000	0
Advanced Placement Belin & Blank Ctr	0	400,000	0	-400,000
Before/After School Grants	0	695,000	695,000	0
Data Warehouse	0	400,000	0	-400,000
District Sharing & Efficiencies	0	400,000	0	-400,000
Early Child - Comm. Empowerment	23,781,594	23,781,594	23,781,594	0
Early Child - Early Care, Health & Ed.	10,000,000	10,000,000	10,000,000	0
Early Child - Family Support & Parent Ed.	5,000,000	5,000,000	5,000,000	0
Early Child - Voluntary Preschool	0	15,000,000	15,000,000	0
Early Child - Spec. Ed. Services Birth to 3	0	1,721,400	1,721,400	0
Early Head Start Pilot Projects	0	400,000	0	-400,000
Food Service	2,509,683	2,509,683	2,509,683	0
Graduation Requirements	130,000	0	0	0
Jobs For America's Grads	600,000	600,000	600,000	0
Math & Science Educ Impr Grant Pilots	200,000	0	0	0
Model Core Curriculum	270,000	0	2,590,000	2,590,000
Nonpublic Textbook Services	638,620	664,165	664,165	0
Parent Liaison Pilot Project	44,000	0	0	0
Project Lead the Way	0	0	660,000	660,000
Reading Instruction Pilot Project Grant	250,000	0	0	0
Skills Iowa Technology Grant	3,000,000	0	0	0
Student Achievement Strategies	0	2,500,000	0	-2,500,000
Student Achievement/Teacher Quality	104,343,894	173,943,894	248,943,894	75,000,000
Vocational Agric. Youth Org	50,000	50,000	50,000	0
Vocational Education Administration	553,758	576,613	576,613	0
Vocational Education Secondary	2,936,904	2,936,904	2,936,904	0
Community College General Aid	159,579,244	171,962,414	184,866,657	12,904,243
Comm College Interpreters for Deaf	0	200,000	0	-200,000
Community College Salaries	0	2,000,000	2,000,000	0
State Library	1,466,761	1,879,827	1,879,827	0
State Library - Enrich Iowa	1,698,432	1,823,432	1,823,432	0
State Library - Library Service Areas	1,376,558	1,586,000	1,586,000	0
Administrator Mentoring	250,000	0	0	0
Total Education, Department of	\$ 324,598,830	\$ 429,601,267	\$ 517,505,510	\$ 87,904,243

Education

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
Iowa Public Television				
Iowa Public Television	\$ 8,174,649	\$ 8,804,620	\$ 8,804,620	\$ 0
Regional Telecom. Councils	1,240,478	1,364,525	1,364,525	0
Total Iowa Public Television	\$ 9,415,127	\$ 10,169,145	\$ 10,169,145	\$ 0
Vocational Rehabilitation				
Vocational Rehabilitation	\$ 5,216,185	\$ 5,667,575	\$ 5,667,575	\$ 0
Independent Living	54,709	55,145	55,145	0
Assistive Technology Loans	500,000	0	0	0
Farmers with Disabilities	130,000	0	0	0
Total Vocational Rehabilitation	\$ 5,900,894	\$ 5,722,720	\$ 5,722,720	\$ 0
Total Education, Department of	\$ 339,914,851	\$ 445,493,132	\$ 533,397,375	\$ 87,904,243

Education

General Fund

	Actual	Estimated	Dept Request	FY 2009 vs.
	FY 2007	FY 2008	FY 2009	FY 2008
	(1)	(2)	(3)	(4)
<u>Regents, Board of</u>				
Regents, Board of				
BOR - Universities	\$ 0	\$ 0	\$ 603,273,346	\$ 603,273,346
BOR - Higher Education Legis. Special Purposes	0	0	116,266,286	116,266,286
BOR - Special Schools	0	0	15,767,163	15,767,163
Regent Board Office	1,167,137	1,263,437	0	-1,263,437
Tuition Replacement (Bond Debt Ser.)	13,975,431	13,975,431	0	-13,975,431
Southwest Iowa Resource Center	105,956	108,698	0	-108,698
Tri State Graduate Center	77,941	80,467	0	-80,467
Quad Cities Graduate Center	157,144	160,806	0	-160,806
Midwestern Higher Ed Consortium	90,000	90,000	0	-90,000
University of Iowa - General	230,843,903	258,011,947	0	-258,011,947
University of Iowa - Psychiatric Hospital	7,043,056	7,321,954	0	-7,321,954
Center for Disabilities and Development	6,363,265	6,726,227	0	-6,726,227
University of Iowa - Oakdale Campus	2,657,335	2,726,485	0	-2,726,485
University of Iowa - Hygienic Laboratory	3,849,461	4,182,151	0	-4,182,151
Family Practice Program	2,075,948	2,179,043	0	-2,179,043
SCHS - Spec. Child Health	649,066	732,388	0	-732,388
State of Iowa Cancer Registry	178,739	184,578	0	-184,578
SUI - Substance Abuse Consortium	64,871	67,877	0	-67,877
Biocatalysis	881,384	902,687	0	-902,687
Primary Health Care	759,875	793,920	0	-793,920
Iowa Birth Defects Registry	44,636	46,685	0	-46,685
SUI - Iowa Nonprofit Resource Center	0	200,000	0	-200,000
SUI - Ag Health & Safety	0	130,000	0	-130,000
Iowa State University - General	180,198,164	205,145,406	0	-205,145,406
ISU - Ag Experiment Station	32,984,653	34,493,006	0	-34,493,006
ISU - Cooperative Extension	21,232,579	21,900,084	0	-21,900,084
ISU - Leopold Center	464,319	490,572	0	-490,572
Livestock Disease Research	220,708	220,708	0	-220,708
University of Northern Iowa - General	82,701,063	92,495,485	0	-92,495,485
Recycling and Reuse Center	211,858	219,279	0	-219,279
UNI - Real Estate Education Program	160,000	0	0	0
UNI - Biomass Production Project	330,000	0	0	0
Iowa School for the Deaf	9,162,890	9,689,607	0	-9,689,607
Iowa Braille and Sight Saving	5,127,507	5,456,107	0	-5,456,107
Tuition and Transportation	15,020	15,020	0	-15,020
ISU - George Washington Carver Endowed Chair	0	250,000	0	-250,000
Total Regents, Board of	\$ 603,793,909	\$ 670,260,055	\$ 735,306,795	\$ 65,046,740
Total Education	\$ 1,005,922,486	\$ 1,182,758,943	\$ 1,335,709,926	\$ 152,950,983

Health and Human Services

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Elder Affairs, Department of</u>				
Elder Affairs, Department of Aging Programs	\$ 4,328,306	\$ 4,866,698	\$ 4,866,698	\$ 0
Total Elder Affairs, Department of	\$ 4,328,306	\$ 4,866,698	\$ 4,866,698	\$ 0
<u>Public Health, Department of</u>				
Public Health, Department of				
Addictive Disorders	\$ 2,453,890	\$ 2,002,149	\$ 2,002,149	\$ 0
Healthy Children and Families	2,369,438	2,536,913	2,536,913	0
Chronic Conditions	1,742,840	1,842,840	1,842,840	0
Community Capacity	1,758,147	1,760,532	1,970,532	210,000
Elderly Wellness	9,233,985	9,233,985	9,233,985	0
Environmental Hazards	626,960	747,960	747,960	0
Infectious Diseases	1,279,963	1,658,286	1,658,286	0
Public Protection	8,232,581	2,845,658	2,835,658	-10,000
Resource Management	1,045,407	1,205,933	1,205,933	0
211 Call Centers	0	200,000	0	-200,000
Total Public Health, Department of	\$ 28,743,211	\$ 24,034,256	\$ 24,034,256	\$ 0
<u>Human Services, Department of</u>				
Human Services - General Administration				
General Administration	\$ 15,099,888	\$ 16,782,706	\$ 16,833,782	\$ 51,076
Human Services - Field Operations				
Child Support Recoveries	\$ 8,502,360	\$ 10,469,844	\$ 15,398,092	\$ 4,928,248
Field Operations	60,165,029	66,555,087	72,714,499	6,159,412
Total Human Services - Field Operations	\$ 68,667,389	\$ 77,024,931	\$ 88,112,591	\$ 11,087,660
Human Services - Toledo Juvenile Home				
Toledo Juvenile Home	\$ 6,927,794	\$ 7,579,484	\$ 7,773,133	\$ 193,649
Human Services - Eldora Training School				
Eldora Training School	\$ 10,954,842	\$ 11,948,327	\$ 12,094,199	\$ 145,872
Human Services - Cherokee CCUSO				
Civil Commit. Unit for Sex Offenders	\$ 4,971,523	\$ 6,523,524	\$ 6,814,978	\$ 291,454

Health and Human Services

General Fund

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
Human Services - Cherokee				
Cherokee MHI	\$ 5,273,361	\$ 5,727,743	\$ 5,883,433	\$ 155,690
Human Services - Clarinda				
Clarinda MHI	\$ 6,409,501	\$ 7,023,073	\$ 7,174,019	\$ 150,946
Human Services - Independence				
Independence MHI	\$ 9,358,177	\$ 10,489,724	\$ 10,716,491	\$ 226,767
Human Services - Mt Pleasant				
Mt Pleasant MHI	\$ 1,228,549	\$ 1,877,099	\$ 1,955,244	\$ 78,145
Human Services - Glenwood				
Glenwood Resource Center	\$ 15,641,388	\$ 19,002,377	\$ 18,017,504	\$ -984,873
Human Services - Woodward				
Woodward Resource Center	\$ 10,109,976	\$ 13,038,833	\$ 12,075,075	\$ -963,758
Human Services - Assistance				
Family Investment Program/JOBS	\$ 42,608,263	\$ 42,675,127	\$ 42,168,632	\$ -506,495
Medical Assistance	664,311,610	616,771,820	669,342,107	52,570,287
Health Insurance Premium Payment	654,568	673,598	566,338	-107,260
Medical Contracts	14,417,985	13,790,558	15,860,901	2,070,343
State Children's Health Insurance (hawk-i)	19,703,715	14,871,052	13,430,863	-1,440,189
State Supplementary Assistance	18,710,335	17,210,335	18,611,385	1,401,050
Child Care Assistance	21,801,198	37,875,701	37,638,322	-237,379
Child and Family Services	80,945,373	88,520,320	88,423,367	-96,953
Adoption Subsidy	31,446,063	31,972,681	35,436,141	3,463,460
Family Support Subsidy	1,936,434	1,936,434	1,936,434	0
Connors Training	42,623	42,623	42,623	0
MI/MR/DD State Cases	12,286,619	11,067,178	13,067,178	2,000,000
MH/DD Community Services	18,017,890	18,017,890	18,017,890	0
MH/DD Growth Factor	38,888,041	36,888,041	57,007,903	20,119,862
Volunteers	109,568	109,568	109,568	0
Medical Assistance Nursing Facility Reimb.	10,400,000	0	0	0
County Suppl. MH/DD Growth	0	12,000,000	0	-12,000,000
State Mental Health Systems	0	0	9,000,000	9,000,000
County Specific Allowed Growth-GF	52,265	0	0	0
Total Human Services - Assistance	\$ 976,332,550	\$ 944,422,926	\$ 1,020,659,652	\$ 76,236,726
Total Human Services, Department of	\$ 1,130,974,938	\$ 1,121,440,747	\$ 1,208,110,101	\$ 86,669,354

Health and Human Services

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Veterans Affairs, Department of</u>				
Veterans Affairs, Department of				
General Administration	\$ 532,651	\$ 863,457	\$ 1,163,457	\$ 300,000
Iowa Veterans Home	15,030,248	16,728,256	16,153,893	-574,363
Veterans Trust Fund	4,500,000	500,000	0	-500,000
Veterans County Grants	1,000,000	750,000	600,000	-150,000
War Orphans Educational Assistance	27,000	27,000	27,000	0
Injured Veterans Grant Program	2,000,000	0	0	0
Home Ownership Assist. Prog.	2,000,000	0	0	0
Vietnam Veterans Bonus	0	0	350,000	350,000
Total Veterans Affairs, Department of	\$ 25,089,899	\$ 18,868,713	\$ 18,294,350	\$ -574,363
Total Health and Human Services	\$ 1,189,136,354	\$ 1,169,210,414	\$ 1,255,305,405	\$ 86,094,991

Justice System General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Justice, Department of</u>				
Justice, Department of				
General Office A.G.	\$ 8,617,205	\$ 9,485,145	\$ 9,715,145	\$ 230,000
Victim Assistance Grants	5,000	150,000	150,000	0
Legal Services Poverty Grants	900,000	2,000,000	2,000,000	0
Farm Mediation Services	100,000	300,000	300,000	0
Children in Dissolution Proceedings Pilot Project	0	50,000	0	-50,000
Total Justice, Department of	\$ 9,622,205	\$ 11,985,145	\$ 12,165,145	\$ 180,000
Consumer Advocate				
Consumer Advocate	\$ 2,985,115	\$ 3,117,471	\$ 3,117,471	\$ 0
Total Justice, Department of	\$ 12,607,320	\$ 15,102,616	\$ 15,282,616	\$ 180,000
<u>Civil Rights Commission</u>				
Civil Rights Commission				
Civil Rights Commission	\$ 1,165,322	\$ 1,504,036	\$ 1,504,036	\$ 0
Total Civil Rights Commission	\$ 1,165,322	\$ 1,504,036	\$ 1,504,036	\$ 0
<u>Corrections, Department of</u>				
Community Based Corrections District 1				
CBC District I	\$ 11,634,090	\$ 12,706,033	\$ 12,706,033	\$ 0
Community Based Corrections District 2				
CBC District II	\$ 9,272,266	\$ 10,080,108	\$ 10,080,108	\$ 0
Community Based Corrections District 3				
CBC District III	\$ 5,503,671	\$ 5,903,401	\$ 5,903,401	\$ 0
Community Based Corrections District 4				
CBC District IV	\$ 4,954,395	\$ 5,419,406	\$ 5,419,406	\$ 0
Community Based Corrections District 5				
CBC District V	\$ 16,669,970	\$ 18,401,003	\$ 18,401,003	\$ 0
Community Based Corrections District 6				
CBC District VI	\$ 11,463,070	\$ 12,675,246	\$ 12,475,246	\$ -200,000
Community Based Corrections District 7				
CBC District VII	\$ 6,516,029	\$ 7,020,794	\$ 7,020,794	\$ 0

Justice System General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
Community Based Corrections District 8				
CBC District VIII	\$ 6,554,177	\$ 6,998,544	\$ 6,998,544	\$ 0
Corrections-Central Office				
County Confinement	\$ 1,199,954	\$ 1,199,954	\$ 1,199,954	\$ 0
Federal Prisoners/ Contractual	241,293	241,293	241,293	0
Corrections Administration	4,333,699	5,050,732	5,050,732	0
Corrections Education	1,070,358	1,570,358	1,570,358	0
Iowa Corrections Offender Network	427,700	427,700	427,700	0
Hepatitis Treatment and Education	188,000	188,000	188,000	0
Mental Health/Substance Abuse	25,000	25,000	25,000	0
Transitional Housing - Comm. Based	20,000	30,000	30,000	0
Total Corrections-Central Office	\$ 7,506,004	\$ 8,733,037	\$ 8,733,037	\$ 0
Corrections - Fort Madison				
Ft. Madison Institution	\$ 43,704,446	\$ 44,512,509	\$ 44,512,509	\$ 0
Corrections - Anamosa				
Anamosa Institution	\$ 30,108,164	\$ 30,656,614	\$ 30,656,614	\$ 0
Corrections - Oakdale				
Oakdale Institution	\$ 33,372,085	\$ 56,204,468	\$ 56,204,468	\$ 0
Corrections - Newton				
Newton Institution	\$ 26,962,398	\$ 27,841,158	\$ 27,841,158	\$ 0
Corrections - Mt Pleasant				
Mt. Pleasant Inst.	\$ 26,315,128	\$ 26,331,092	\$ 26,331,092	\$ 0
Corrections - Rockwell City				
Rockwell City Institution	\$ 8,820,356	\$ 9,108,454	\$ 9,166,484	\$ 58,030
Corrections - Clarinda				
Clarinda Institution	\$ 25,487,076	\$ 25,078,365	\$ 25,078,365	\$ 0
Corrections - Mitchellville				
Mitchellville Institution	\$ 15,449,597	\$ 15,878,663	\$ 15,878,663	\$ 0
Corrections - Fort Dodge				
Ft. Dodge Institution	\$ 28,559,289	\$ 29,773,151	\$ 29,715,121	\$ -58,030
Total Corrections, Department of	\$ 318,852,211	\$ 353,322,046	\$ 353,122,046	\$ -200,000

Justice System General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Inspections & Appeals, Department of</u>				
Public Defender				
Public Defender	\$ 20,370,271	\$ 21,749,296	\$ 21,749,296	\$ 0
Indigent Defense Appropriation	25,163,082	31,282,538	31,282,538	0
Total Inspections & Appeals, Department of	\$ 45,533,353	\$ 53,031,834	\$ 53,031,834	\$ 0
<u>Judicial Branch</u>				
Judicial Branch				
Judicial Branch	\$ 123,237,410	\$ 144,945,322	\$ 150,260,170	\$ 5,314,848
Judicial Retirement	2,039,664	3,450,963	7,625,626	4,174,663
Youth Enrichment Pilot Project	50,000	0	0	0
Total Judicial Branch	\$ 125,327,074	\$ 148,396,285	\$ 157,885,796	\$ 9,489,511
<u>Law Enforcement Academy</u>				
Law Enforcement Academy				
Law Enforcement Academy	\$ 1,225,985	\$ 1,289,562	\$ 1,289,562	\$ 0
Total Law Enforcement Academy	\$ 1,225,985	\$ 1,289,562	\$ 1,289,562	\$ 0
<u>Parole, Board of</u>				
Parole Board				
Parole Board	\$ 1,177,849	\$ 1,256,273	\$ 1,256,273	\$ 0
Total Parole, Board of	\$ 1,177,849	\$ 1,256,273	\$ 1,256,273	\$ 0
<u>Public Defense, Department of</u>				
Public Defense, Department of				
Public Defense, Department of	\$ 5,929,167	\$ 6,311,985	\$ 6,311,985	\$ 0
Civil Air Patrol	100,000	120,000	120,000	0
Total Public Defense, Department of	\$ 6,029,167	\$ 6,431,985	\$ 6,431,985	\$ 0
Public Defense - Emergency Management Division				
Homeland Security & Emer. Mgmt.	\$ 1,601,033	\$ 2,271,581	\$ 2,271,581	\$ 0
Total Public Defense, Department of	\$ 7,630,200	\$ 8,703,566	\$ 8,703,566	\$ 0

Justice System

General Fund

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
<u>Public Safety, Department of</u>				
Public Safety, Department of				
Public Safety Administration	\$ 3,806,840	\$ 4,180,033	\$ 4,455,581	\$ 275,548
Public Safety DCI	19,470,441	21,729,482	21,606,228	-123,254
Narcotics Enforcement	5,550,724	6,315,289	6,302,046	-13,243
Public Safety Undercover Funds	123,343	123,343	123,343	0
DPS Fire Marshal	2,767,566	3,328,952	4,158,394	829,442
Fire Service	704,110	836,508	0	-836,508
Iowa State Patrol	46,106,927	50,210,762	50,078,777	-131,985
DPS/SPOC Sick Leave Payout	316,179	316,179	316,179	0
Fire Fighter Training	699,587	699,587	699,587	0
DCI - Crime Lab Equipment/Training	342,000	342,000	342,000	0
Capitol Building Security	775,000	0	0	0
DPS Equipment	300,000	0	0	0
Total Public Safety, Department of	\$ 80,962,717	\$ 88,082,135	\$ 88,082,135	\$ 0
Total Justice System	\$ 594,482,031	\$ 670,688,353	\$ 680,157,864	\$ 9,469,511

Transportation, Infrastructure, and Capitals General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Education, Department of</u>				
Iowa Public Television				
IPTV Capitals	\$ 1,000,000	\$ 0	\$ 0	\$ 0
Total Education, Department of	\$ 1,000,000	\$ 0	\$ 0	\$ 0
Total Transportation, Infrastructure, and Capitals	\$ 1,000,000	\$ 0	\$ 0	\$ 0

Unassigned Standing

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Administrative Services, Dept. of</u>				
State Accounting Trust Accounts				
Federal Cash Management Standing	\$ 441,286	\$ 436,250	\$ 436,250	\$ 0
Unemployment Compensation-State Standing	496,322	538,750	538,750	0
Municipal Fire & Police Retirement	2,745,784	2,745,784	2,745,784	0
Total Administrative Services, Dept. of	\$ 3,683,392	\$ 3,720,784	\$ 3,720,784	\$ 0
<u>Public Health, Department of</u>				
Public Health, Department of				
Congenital & Inherited Disorders Registry	\$ 225,309	\$ 200,000	\$ 200,000	\$ 0
Total Public Health, Department of	\$ 225,309	\$ 200,000	\$ 200,000	\$ 0
<u>Corrections, Department of</u>				
Corrections-Central Office				
State Cases Court Costs	\$ 0	\$ 66,370	\$ 66,370	\$ 0
Total Corrections, Department of	\$ 0	\$ 66,370	\$ 66,370	\$ 0
<u>Economic Development, Dept. of</u>				
Economic Development, Department of				
Community Attraction & Tourism	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000	\$ 0
Grow Iowa Values Fund	50,000,000	50,000,000	50,000,000	0
Total Economic Development, Dept. of	\$ 57,000,000	\$ 57,000,000	\$ 57,000,000	\$ 0
<u>Education, Department of</u>				
Education, Department of				
State Foundation School Aid	\$ 2,048,018,186	\$ 2,145,614,028	\$ 2,258,400,000	\$ 112,785,972
Child Development	11,271,000	12,606,196	12,606,196	0
Instructional Support	14,428,268	14,428,271	14,428,271	0
Nonpublic Transportation	8,604,714	8,604,714	8,604,714	0
Early Intervention Block Grant	29,250,000	29,250,000	29,250,000	0
Teacher Excellence Program	55,469,053	55,469,053	55,469,053	0
Total Education, Department of	\$ 2,167,041,221	\$ 2,265,972,262	\$ 2,378,758,234	\$ 112,785,972

Unassigned Standing

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Human Services, Department of</u>				
Human Services - General Administration				
Commission Of Inquiry	\$ 1,706	\$ 1,706	\$ 1,706	\$ 0
Non Residents Transfers	82	82	82	0
Non Resident Commitment M.III	174,704	174,704	174,704	0
Total Human Services - General Administration	<u>\$ 176,492</u>	<u>\$ 176,492</u>	<u>\$ 176,492</u>	<u>\$ 0</u>
Human Services - Assistance				
MH Property Tax Relief	\$ 95,000,000	\$ 95,000,000	\$ 95,000,000	\$ 0
Child Abuse Prevention	225,309	240,000	240,000	0
Total Human Services - Assistance	<u>\$ 95,225,309</u>	<u>\$ 95,240,000</u>	<u>\$ 95,240,000</u>	<u>\$ 0</u>
Total Human Services, Department of	<u>\$ 95,401,801</u>	<u>\$ 95,416,492</u>	<u>\$ 95,416,492</u>	<u>\$ 0</u>
<u>Executive Council</u>				
Executive Council				
Performance of Duty	\$ 23,394,592	\$ 2,079,500	\$ 2,079,500	\$ 0
Court Costs	43,010	73,125	73,125	0
Drainage Assessment	29,485	24,375	24,375	0
Public Improvements	0	48,750	48,750	0
Total Executive Council	<u>\$ 23,467,086</u>	<u>\$ 2,225,750</u>	<u>\$ 2,225,750</u>	<u>\$ 0</u>
<u>Legislative Branch</u>				
Legislative Services Agency				
Legislative Branch	\$ 31,923,474	\$ 35,521,091	\$ 35,490,681	\$ -30,410
Total Legislative Branch	<u>\$ 31,923,474</u>	<u>\$ 35,521,091</u>	<u>\$ 35,490,681</u>	<u>\$ -30,410</u>
<u>Governor</u>				
Governor's Office				
Interstate Extradition	\$ 0	\$ 3,710	\$ 3,710	\$ 0
Governor Elect Expenses				
Governor Elect Expenses	\$ 170,000	\$ 0	\$ 0	\$ 0
Total Governor	<u>\$ 170,000</u>	<u>\$ 3,710</u>	<u>\$ 3,710</u>	<u>\$ 0</u>

Unassigned Standing

General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Public Defense, Department of</u>				
Public Defense, Department of Compensation and Expense	\$ 518,555	\$ 421,639	\$ 421,639	\$ 0
Total Public Defense, Department of	\$ 518,555	\$ 421,639	\$ 421,639	\$ 0
<u>Management, Department of</u>				
Management, Department of Special Olympics Fund	\$ 50,000	\$ 50,000	\$ 50,000	\$ 0
Indian Settlement Officer	25,000	25,000	25,000	0
Appeal Board Claims	9,627,824	4,387,500	4,387,500	0
Property Tax Credit Fund	0	28,000,000	28,000,000	0
Technology Reinvestment Fund	17,500,000	17,500,000	17,500,000	0
Total Management, Department of	\$ 27,202,824	\$ 49,962,500	\$ 49,962,500	\$ 0
<u>Revenue, Dept. of</u>				
Revenue, Department of Printing Cigarette Stamps	\$ 115,000	\$ 152,500	\$ 152,500	\$ 0
Livestock Producers Credit	2,000,000	2,000,000	2,000,000	0
Tobacco Reporting Requirements	25,000	25,000	25,000	0
Total Revenue, Dept. of	\$ 2,140,000	\$ 2,177,500	\$ 2,177,500	\$ 0
<u>Secretary of State</u>				
Secretary of State Constitutional Amendments	\$ 497	\$ 0	\$ 0	\$ 0
Total Secretary of State	\$ 497	\$ 0	\$ 0	\$ 0
<u>Treasurer of State</u>				
Treasurer of State Health Care Trust Fund Transfer	\$ 0	\$ 127,600,000	\$ 127,600,000	\$ 0
Total Treasurer of State	\$ 0	\$ 127,600,000	\$ 127,600,000	\$ 0
Total Unassigned Standing	\$ 2,408,774,160	\$ 2,640,288,098	\$ 2,753,043,660	\$ 112,755,562

Summary Data

Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
Administration and Regulation	\$ 22,224,320	\$ 25,627,234	\$ 21,638,206	\$ -3,989,028
Agriculture and Natural Resources	80,382,662	87,738,081	87,738,081	0
Economic Development	62,896,000	64,766,000	61,166,000	-3,600,000
Education	2,433,250	2,458,250	2,458,250	0
Health and Human Services	394,174,632	526,196,744	512,210,642	-13,986,102
Justice System	3,986,472	6,502,474	4,006,474	-2,496,000
Transportation, Infrastructure, and Capitals	553,280,674	558,874,071	984,358,008	425,483,937
Unassigned Standing	<u>192,431,838</u>	<u>167,843,964</u>	<u>167,843,964</u>	<u>0</u>
Grand Total	<u><u>\$ 1,311,809,848</u></u>	<u><u>\$ 1,440,006,818</u></u>	<u><u>\$ 1,841,419,625</u></u>	<u><u>\$ 401,412,807</u></u>

Administration and Regulation

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Commerce, Department of</u>				
Professional Licensing and Regulation				
Real Estate Trust Account Audit	\$ 62,317	\$ 62,317	\$ 62,317	\$ 0
Total Commerce, Department of	\$ 62,317	\$ 62,317	\$ 62,317	\$ 0
<u>Management, Department of</u>				
Management, Department of				
Road Use Tax Salary Adjustment	\$ 285,997	\$ 957,279	\$ 0	\$ -957,279
Primary Road Salary Adjustment	1,155,683	3,060,049	0	-3,060,049
RUTF DOM Operations	56,000	56,000	56,000	0
Total Management, Department of	\$ 1,497,680	\$ 4,073,328	\$ 56,000	\$ -4,017,328
<u>Treasurer of State</u>				
Treasurer of State				
I-3 Expenses - RUTF	\$ 93,148	\$ 93,148	\$ 93,148	\$ 0
Total Treasurer of State	\$ 93,148	\$ 93,148	\$ 93,148	\$ 0
<u>Revenue, Dept. of</u>				
Revenue, Department of				
Motor Vehicle Fuel Tax-Admin.	\$ 1,291,841	\$ 1,305,775	\$ 1,305,775	\$ 0
Total Revenue, Dept. of	\$ 1,291,841	\$ 1,305,775	\$ 1,305,775	\$ 0
<u>Inspections & Appeals, Department of</u>				
Inspections and Appeals, Department of				
DIA - Use Tax	\$ 1,543,342	\$ 1,623,897	\$ 1,623,897	\$ 0
Asst Living/Adult Day Care-SLTF	790,751	1,183,303	1,183,303	0
Total Inspections & Appeals, Department of	\$ 2,334,093	\$ 2,807,200	\$ 2,807,200	\$ 0
<u>IPERS Administration</u>				
IPERS - Nonappropriated FTEs				
IPERS Administration	\$ 16,945,241	\$ 17,285,466	\$ 17,313,766	\$ 28,300
Total IPERS Administration	\$ 16,945,241	\$ 17,285,466	\$ 17,313,766	\$ 28,300
Total Administration and Regulation	\$ 22,224,320	\$ 25,627,234	\$ 21,638,206	\$ -3,989,028

Agriculture and Natural Resources

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Agriculture and Land Stewardship</u>				
Agriculture and Land Stewardship				
Native Horse and Dog Program	\$ 305,516	\$ 305,516	\$ 305,516	\$ 0
Open Feedlots Research Project	50,000	50,000	50,000	0
Conservation Reserve Enhance-EFF	1,500,000	1,500,000	1,500,000	0
Watershed Protection Fund-EFF	2,700,000	2,550,000	2,550,000	0
Farm Management Demo.-EFF	850,000	850,000	850,000	0
Agricultural Drainage Wells-EFF	500,000	1,480,000	1,480,000	0
Cost Share-EFF	5,500,000	7,000,000	7,000,000	0
Conservation Reserve Prog.-EFF	2,000,000	1,500,000	1,500,000	0
So. Iowa Conservation & Dev. Authority-EFF	300,000	300,000	300,000	0
Motor Fuel Inspection	300,000	300,000	300,000	0
Flood Prevention Study-EFF	0	150,000	150,000	0
Farm to School Program-EFF	0	80,000	80,000	0
State Apiarist Program-EFF	0	40,000	40,000	0
Total Agriculture and Land Stewardship	\$ 14,005,516	\$ 16,105,516	\$ 16,105,516	\$ 0
<u>Loess Hills Development & Conservation Authority</u>				
Loess Hills-EFF	\$ 600,000	\$ 580,000	\$ 580,000	\$ 0
Total Agriculture and Land Stewardship	\$ 14,605,516	\$ 16,685,516	\$ 16,685,516	\$ 0
<u>Natural Resources, Department of</u>				
Natural Resources				
Fish & Game-DNR Admin Expenses	\$ 35,371,314	\$ 37,626,733	\$ 37,626,733	\$ 0
NPDES Permit Application Processing	600,000	700,000	700,000	0
Snowmobile Registration Fees	100,000	100,000	100,000	0
UST Administration Match	200,000	200,000	200,000	0
GWF-Storage Tanks Study-DNR	100,303	100,303	100,303	0
GWF-Household Hazardous Waste-DNR	447,324	447,324	447,324	0
GWF-Well Testing Admin 2%-DNR	62,461	62,461	62,461	0
GWF-Groundwater Monitoring-DNR	1,686,751	1,686,751	1,686,751	0
GWF-Landfill Alternatives-DNR	618,993	618,993	618,993	0
GWF-Waste Reduction and Assistance	192,500	192,500	192,500	0
GWF-Solid Waste Authorization	50,000	50,000	50,000	0
GWF-Geographic Information System	297,500	297,500	297,500	0
Total Natural Resources, Department of	\$ 39,727,146	\$ 42,082,565	\$ 42,082,565	\$ 0

Agriculture and Natural Resources

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Natural Resources Capital</u>				
Natural Resources Capital				
REAP-EFF	\$ 11,000,000	\$ 15,500,000	\$ 15,500,000	\$ 0
Volunteers and Keepers of Land-EFF	100,000	100,000	100,000	0
Park Operations & Maintenance-EFF	2,000,000	2,470,000	2,470,000	0
GIS Information for Watershed-EFF	195,000	195,000	195,000	0
Water Quality Monitoring-EFF	2,955,000	2,955,000	2,955,000	0
Water Quality Protection-EFF	500,000	500,000	500,000	0
Air Quality Monitoring Livestock-EFF	275,000	235,000	0	-235,000
Marine Fuel Tax Projects-EFF	2,500,000	0	0	0
Lake Dredging-EFF	975,000	0	0	0
Tire Reclamation-EFF	50,000	0	0	0
Animal Feeding Operations	0	360,000	360,000	0
Air Quality Monitoring-EFF	0	325,000	560,000	235,000
Database Development-EFF	0	50,000	50,000	0
Floodplain Management/Dam Safety-EFF	0	0	150,000	150,000
State Forester/Ecologist-EFF	0	0	150,000	150,000
Water Quantity-EFF	0	480,000	480,000	0
Resource Conservation and Dev.-EFF	0	300,000	0	-300,000
Total Natural Resources Capital	\$ 20,550,000	\$ 23,470,000	\$ 23,470,000	\$ 0
<u>Economic Development, Dept. of</u>				
Economic Development, Department of				
Brownfields Redevelopment-EFF	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0
Total Economic Development, Dept. of	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0
<u>Treasurer of State</u>				
Treasurer of State				
Watershed Protection-ENDW	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 0
Total Treasurer of State	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 0
Total Agriculture and Natural Resources	\$ 80,382,662	\$ 87,738,081	\$ 87,738,081	\$ 0

Economic Development Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Economic Development, Dept. of</u>				
Economic Development, Department of				
Workforce Development Appropriation	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 0
Renewable Fuels Infrastructure-GIVF	2,000,000	2,000,000	2,000,000	0
Renewable Fuels Infrastructure-UST	3,500,000	3,500,000	0	-3,500,000
DED Programs-GIVF	33,000,000	30,000,000	30,000,000	0
Regents Institutions-GIVF	5,000,000	5,000,000	5,000,000	0
State Parks-GIVF	1,000,000	1,000,000	1,000,000	0
Cultural Trust Fund-GIVF	1,000,000	1,000,000	1,000,000	0
Workforce and Econ. Dev.-GIVF	7,000,000	7,000,000	7,000,000	0
Regional Financial Assistance-GIVF	1,000,000	1,000,000	1,000,000	0
NPDES Elimination System Permits	100,000	100,000	0	-100,000
Iowa Comm Volunteer Ser.-HITT	125,000	125,000	125,000	0
Endow Iowa Admin - County Endw Fund	0	70,000	70,000	0
Targeted Industries-GIVF	0	3,000,000	3,000,000	0
Total Economic Development, Dept. of	\$ 57,725,000	\$ 57,795,000	\$ 54,195,000	\$ -3,600,000
<u>Iowa Finance Authority</u>				
Iowa Finance Authority				
Rent Subsidy Program-SLTF	\$ 700,000	\$ 700,000	\$ 700,000	\$ 0
Total Iowa Finance Authority	\$ 700,000	\$ 700,000	\$ 700,000	\$ 0
<u>Iowa Workforce Development</u>				
Iowa Workforce Development				
P & I Workers' Comp. Division	\$ 471,000	\$ 471,000	\$ 471,000	\$ 0
IWD Field Offices (UI Reserve Interest)	4,000,000	5,800,000	5,800,000	0
Total Iowa Workforce Development	\$ 4,471,000	\$ 6,271,000	\$ 6,271,000	\$ 0
Total Economic Development	\$ 62,896,000	\$ 64,766,000	\$ 61,166,000	\$ -3,600,000

Education

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Blind, Iowa Commission for the</u>				
Blind, Department of				
Audio Info. Service for Blind-HITT	\$ 130,000	\$ 0	\$ 0	\$ 0
Total Blind, Iowa Commission for the	\$ 130,000	\$ 0	\$ 0	\$ 0
<u>Education, Department of</u>				
Education, Department of				
Before/After School Grants-HITT	\$ 150,000	\$ 305,000	\$ 305,000	\$ 0
Community Empowerment-HITT	2,153,250	2,153,250	2,153,250	0
Total Education, Department of	\$ 2,303,250	\$ 2,458,250	\$ 2,458,250	\$ 0
Total Education	\$ 2,433,250	\$ 2,458,250	\$ 2,458,250	\$ 0

Health and Human Services

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Elder Affairs, Department of</u>				
Elder Affairs, Department of Elder Affairs Operations-SLTF	\$ 8,324,044	\$ 8,442,707	\$ 8,442,707	\$ 0
Total Elder Affairs, Department of	\$ 8,324,044	\$ 8,442,707	\$ 8,442,707	\$ 0
<u>Public Health, Department of</u>				
Public Health, Department of				
Ad. Dis.-Substance Abuse Treatment-GTF	\$ 1,690,000	\$ 2,215,000	\$ 1,690,000	\$ -525,000
Ad. Dis.-Gambling Treatment Program-GTF	5,856,571	5,255,285	4,310,000	-945,285
Ad. Dis.-Tobacco Use Prevention/Control-HITT	5,928,465	5,928,465	0	-5,928,465
Ad. Dis.-Smoking Cessation Products-HITT	75,000	0	0	0
Ad. Dis.-Substance Abuse Treatment-HITT	13,800,000	13,800,000	0	-13,800,000
Ad. Dis.-Sub. Abuse Prevention for Kids-HITT	1,050,000	1,050,000	0	-1,050,000
Chr. Con-PKU Assistance-HITT	100,000	100,000	0	-100,000
Chr. Con.-Iowa Stillbirth Evaluation Project-HITT	26,000	26,000	0	-26,000
Chr. Con.-AIDS Drug Assistance Program-HITT	275,000	275,000	0	-275,000
Chronic Conditions-HITT	0	0	401,000	401,000
Pub. Pro.-External Defibrillator Grant-HITT	350,000	40,000	0	-40,000
Health Protection and Regulation-HITT	0	0	1,027,320	1,027,320
Healthy Iowans 2010-HITT	2,509,960	2,509,960	0	-2,509,960
Addiction Disorders-HITT	0	0	20,778,465	20,778,465
Community Capacity-HITT	0	0	1,257,482	1,257,482
Environmental Hazards-HITT	0	0	365,158	365,158
Epilepsy Education-HITT	0	100,000	0	-100,000
Addictive Disorders-HCTF	0	6,993,754	6,993,754	0
Healthy Children and Families-HCTF	0	687,500	657,500	-30,000
Chronic Conditions-HCTF	0	1,188,981	1,178,981	-10,000
Community Capacity-HCTF	0	2,790,000	2,830,000	40,000
Total Public Health, Department of	\$ 31,660,996	\$ 42,959,945	\$ 41,489,660	\$ -1,470,285

Health and Human Services

Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
<u>Human Services, Department of</u>				
Human Services - General Administration				
FIP-TANF	\$ 33,395,225	\$ 36,890,944	\$ 28,101,513	\$ -8,789,431
Promise Jobs-TANF	15,691,865	14,993,040	14,993,040	0
FaDDS-TANF	2,698,675	2,998,675	2,998,675	0
Field Operations-TANF	17,707,495	17,707,495	17,707,495	0
General Administration-TANF	3,744,000	3,744,000	3,744,000	0
Local Admin. Cost-TANF	2,189,830	2,189,830	2,189,830	0
State Day Care-TANF	15,756,560	18,986,177	18,986,177	0
MH/DD Comm. Services-TANF	4,894,052	4,894,052	4,894,052	0
Child & Family Services-TANF	32,084,430	32,084,430	32,084,430	0
Child Abuse Prevention-TANF	250,000	250,000	250,000	0
Training & Technology-TANF	1,037,186	1,037,186	1,037,186	0
HOPEs - Transfer to DPH-TANF	200,000	200,000	200,000	0
0-5 Children-TANF	7,350,000	7,350,000	7,350,000	0
Child Support Recovery-TANF	200,000	200,000	200,000	0
Child Care Direct Assistance-TANF	0	0	6,900,000	6,900,000
Total Human Services - General Administration	\$ 137,199,318	\$ 143,525,829	\$ 141,636,398	\$ -1,889,431

Health and Human Services

Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
Human Services - Assistance				
Pregnancy Prevent. - TANF	\$ 1,930,067	\$ 1,930,067	\$ 1,930,067	\$ 0
Medical Supplemental-SLTF	65,000,000	65,000,000	65,000,000	0
Medical Contracts-Pharmceutical Settle.	379,000	1,323,833	0	-1,323,833
Broadlawns Hospital-ICA	40,000,000	40,000,000	37,000,000	-3,000,000
State Hospital-Cherokee-ICA	9,098,425	9,098,425	3,476,524	-5,621,901
State Hospital-Clarinda-ICA	1,977,305	1,977,305	755,532	-1,221,773
State Hospital-Independence-ICA	9,045,894	9,045,894	3,456,452	-5,589,442
State Hospital-Mt Pleasant-ICA	5,752,587	5,752,587	2,717,565	-3,035,022
Medical Examinations-HCTA	556,800	556,800	556,800	0
Medical Information Hotline-HCTA	150,000	150,000	150,000	0
Insurance Cost Subsidy-HCTA	1,500,000	0	0	0
Health Care Premium Impl.-HCTA	400,000	0	0	0
Electronic Medical Records-HCTA	2,000,000	0	0	0
Health Partnership Activities-HCTA	550,000	550,000	900,000	350,000
Audits, Perf. Eval., Studies-HCTA	100,000	400,000	400,000	0
IowaCare Admin. Costs-HCTA	930,352	930,352	1,132,412	202,060
Acuity Based ICF-MR Case Mix-HCTA	150,000	0	0	0
Provider Incentive Pmt Prog.-HCTA	50,000	0	0	0
General Administration-HITT	274,000	274,000	274,000	0
POS Provider Increase-HITT	146,750	146,750	146,750	0
CHIP Expansion to 200% of FPL-HITT	200,000	0	0	0
Other Service Providers Inc.-HITT	0	182,381	182,381	0
Medical Assistance Combined-HITT	35,013,803	35,327,368	35,327,368	0
Child and Family Services-HITT	4,257,623	3,761,677	3,761,677	0
Dental Home for Children-HCTA	0	1,186,475	500,000	-686,475
Mental Health Trans. Pilot-HCTA	0	250,000	250,000	0
Medical Assistance-HCTF	0	99,518,096	99,518,096	0
Children's Health Insurance-HCTF	0	8,329,570	8,329,570	0
MH/MR/DD Growth - HCTF	0	7,592,099	7,592,099	0
County Specific Allowed Growth-PTRF	243,084	0	0	0
Total Human Services - Assistance	\$ 179,705,690	\$ 293,283,679	\$ 273,357,293	\$ -19,926,386
Total Human Services, Department of	\$ 316,905,008	\$ 436,809,508	\$ 414,993,691	\$ -21,815,817

Health and Human Services

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Veterans Affairs, Department of</u>				
Veterans Affairs, Department of				
Vets Home Ownership Prog.-VTF	\$ 0	\$ 200,000	\$ 0	\$ -200,000
Vietnam Veterans Bonus-VTF	0	500,000	0	-500,000
Total Veterans Affairs, Department of	\$ 0	\$ 700,000	\$ 0	\$ -700,000
<u>Regents, Board of</u>				
Regents, Board of				
UIHC - IowaCares Expansion-ICA	\$ 10,000,000	\$ 10,000,000	\$ 20,000,000	\$ 10,000,000
U of I Hospital & Clinics-ICA	27,284,584	27,284,584	27,284,584	0
Total Regents, Board of	\$ 37,284,584	\$ 37,284,584	\$ 47,284,584	\$ 10,000,000
Total Health and Human Services	\$ 394,174,632	\$ 526,196,744	\$ 512,210,642	\$ -13,986,102

Justice System Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Corrections, Department of</u>				
Community Based Corrections District 1 CBC District I - HITT	\$ 228,216	\$ 228,216	\$ 228,216	\$ 0
Community Based Corrections District 2 CBC District II - HITT	\$ 406,216	\$ 406,217	\$ 406,217	\$ 0
Community Based Corrections District 3 CBC District III - HITT	\$ 200,359	\$ 200,359	\$ 200,359	\$ 0
Community Based Corrections District 4 CBC District IV - HITT	\$ 291,731	\$ 291,731	\$ 291,731	\$ 0
Community Based Corrections District 5 CBC District V - HITT	\$ 355,692	\$ 355,693	\$ 355,693	\$ 0
Community Based Corrections District 6 CBC District VI - HITT	\$ 164,741	\$ 494,741	\$ 494,741	\$ 0
Community Based Corrections District 7 CBC District VII - HITT	\$ 232,232	\$ 232,232	\$ 232,232	\$ 0
Community Based Corrections District 8 CBC District VIII - HITT	\$ 300,000	\$ 300,000	\$ 300,000	\$ 0
Corrections - Fort Madison Ft. Madison CCU - HITT	\$ 1,497,285	\$ 1,497,285	\$ 1,497,285	\$ 0
Corrections - Newton Newton Value Based Treatment-HITT	\$ 310,000	\$ 0	\$ 0	\$ 0
Total Corrections, Department of	\$ 3,986,472	\$ 4,006,474	\$ 4,006,474	\$ 0
<u>Judicial Branch</u>				
Judicial Branch Judicial Retirement-Jury Witness Fund	\$ 0	\$ 2,000,000	\$ 0	\$ -2,000,000
Total Judicial Branch	\$ 0	\$ 2,000,000	\$ 0	\$ -2,000,000
<u>Public Defense, Department of</u>				
Public Defense - Emergency Management Division Surcharge to Answering Points-E911	\$ 0	\$ 496,000	\$ 0	\$ -496,000
Total Public Defense, Department of	\$ 0	\$ 496,000	\$ 0	\$ -496,000
Total Justice System	\$ 3,986,472	\$ 6,502,474	\$ 4,006,474	\$ -2,496,000

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Administrative Services, Dept. of</u>				
Administrative Services				
Enterprise Resource Planning-I/3-RCF	\$ -1,500,000	\$ 0	\$ 0	\$ 0
Enterprise Resource Planning-I/3-RIIF	0	1,500,000	0	-1,500,000
DAS Distribution Account-RIIF	0	2,000,000	0	-2,000,000
Total Administrative Services, Dept. of	\$ -1,500,000	\$ 3,500,000	\$ 0	\$ -3,500,000
<u>Agriculture and Land Stewardship</u>				
Agriculture and Land Stewardship				
Weights & Measures Scale Trucks-RIIF	\$ 0	\$ 0	\$ 555,000	\$ 555,000
Total Agriculture and Land Stewardship	\$ 0	\$ 0	\$ 555,000	\$ 555,000
<u>Blind Capitals, Department for the</u>				
Department For The Blind Capitals				
Blind Building Renovation-RC2	\$ 4,000,000	\$ 0	\$ 0	\$ 0
Total Blind Capitals, Department for the	\$ 4,000,000	\$ 0	\$ 0	\$ 0
<u>Education, Department of</u>				
Education, Department of				
ICN Part III Leases & Maint.-TRF	\$ 2,727,000	\$ 2,727,000	\$ 2,727,000	\$ 0
Education Data Warehouse-TRF	0	600,000	0	-600,000
Total Education, Department of	\$ 2,727,000	\$ 3,327,000	\$ 2,727,000	\$ -600,000
<u>Public Health, Department of</u>				
Public Health, Department of				
Regional Health & Emer. Facility-RIIF	\$ 100,000	\$ 0	\$ 0	\$ 0
Total Public Health, Department of	\$ 100,000	\$ 0	\$ 0	\$ 0

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
Administrative Services - Capitals				
Administrative Services - Capitals				
Leases/Assistance-RIIF	\$ 0	\$ 1,824,500	\$ 1,824,500	\$ 0
Leases/Relocation Assistance-RIIF	1,824,500	0	0	0
Routine Maintenance-RIIF	0	5,000,000	20,000,000	15,000,000
Routine Maintenance-RIIF	2,536,500	0	0	0
Major Maintenance-VIF	10,000,000	40,000,000	40,000,000	0
Capitol Interior/Exterior-RIIF	0	6,300,000	6,200,000	-100,000
Capitol Interior-RC2	6,830,000	0	0	0
Cap Comp Elect Dist Upgrade-RIIF	0	3,460,960	4,470,000	1,009,040
Cap Comp Elect Dist Upgrade-RCF	800,000	0	0	0
West Capitol Terrace-RIIF	0	1,600,000	1,050,000	-550,000
Sidewalk & Parking Lot Repairs-RIIF	0	1,650,000	0	-1,650,000
Property Acquisition-RIIF	0	1,000,000	1,000,000	0
Property Acquisition-RC2	500,000	0	0	0
Vehicle Dispatch Fleet Relocation-RIIF	0	350,000	0	-350,000
Cap Comp Alternative Energy-RIIF	0	0	200,000	200,000
Energy Plant & Additions-RIIF	0	998,000	623,000	-375,000
Hoover Bldg HVAC Improve.-RIIF	0	1,320,000	1,500,000	180,000
Complex Utility Tunnel-RIIF	0	260,000	5,309,200	5,049,200
Workforce Bldg Asbestos-RIIF	0	1,000,000	12,000,000	11,000,000
Workers' Monument-RIIF	0	200,000	0	-200,000
DHS-CCUSO Renovation-RIIF	0	0	829,000	829,000
ITE Pooled Technology-TRF	3,358,334	3,810,375	6,000,828	2,190,453
Service Oriented Architecture-TRF	0	254,992	254,992	0
New State Office Bldg-RIIF	0	3,600,000	23,300,000	19,700,000
New State Office Bldg-RC2	37,585,000	0	0	0
Toledo Powerhouse-RC2	1,521,045	0	0	0
Toledo Education & Infirmary-RIIF	0	3,100,000	0	-3,100,000
Toledo Education & Infirmary-RC2	5,030,668	0	0	0
Statewide Demolition Funding-RIIF	0	0	1,000,000	1,000,000
Replace Court Ave Bridge-RIIF	0	0	6,000,000	6,000,000
Grimes Office Bldg Planning-RIIF	0	0	750,000	750,000
East Parking Lot Restoration-RIIF	0	0	3,070,000	3,070,000
Terrace Hill Maintenance-RIIF	75,000	0	956,000	956,000
Woodward Wastewater Facility-RC2	2,443,000	0	0	0
Terrace Hill Roof Repair-RCF	700,000	0	0	0
DHS CCUSO Facility-RIIF	0	750,000	0	-750,000
Disabled Veterans Memorial-RIIF	0	50,000	0	-50,000
DHS - Toledo RIIF	7,035,000	0	0	0
Cap. Complex Master Plan-RIIF	0	0	250,000	250,000
Lucas Building Air Handlers-RIIF	0	0	300,000	300,000
Energy Plant Fire Protection-RIIF	0	0	2,000,000	2,000,000

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
Hoover Security/Fire Walls-RIIF	0	0	165,000	165,000
Total Administrative Services - Capitals	\$ 80,239,047	\$ 76,528,827	\$ 139,052,520	\$ 62,523,693
<u>Natural Resources Capital</u>				
Natural Resources Capital				
State Park Infrastructure-RIIF	\$ 0	\$ 2,500,000	\$ 2,500,000	\$ 0
Lakes Restoration & Water Quality-RIIF	0	8,600,000	8,600,000	0
Lakes Restoration-ENDW	8,600,000	0	0	0
IA's Special Areas-RIIF	1,500,000	0	0	0
Resource, Conservation & Dev. Projects-FES	300,000	0	0	0
Lake Darling State Park Shelter-RIIF	250,000	0	0	0
Hoeny Creek Resort Park-RIIF	0	0	8,000,000	8,000,000
Green Valley-RIIF	0	0	100,000	100,000
Lewis & Clark-RIIF	0	0	2,000,000	2,000,000
Regional Center-RIIF	0	0	300,000	300,000
Volga Lake Recreation Area-RIIF	0	750,000	750,000	0
Lake Delhi Improvements-RIIF	0	100,000	100,000	0
Carter Lake Improvements-RIIF	0	500,000	500,000	0
Mines of Spain Park-RIIF	0	100,000	0	-100,000
Total Natural Resources Capital	\$ 10,650,000	\$ 12,550,000	\$ 22,850,000	\$ 10,300,000

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Economic Development, Dept. of</u>				
Economic Development, Department of				
Targeted Industries Infra.-RIIF	\$ 0	\$ 900,000	\$ 900,000	\$ 0
Community & Tourism Program-RIIF	5,000,000	5,000,000	5,000,000	0
ACE Infrastructure-RIIF	0	5,500,000	5,500,000	0
Workforce Training and Econ. Dev.-RIIF	0	2,000,000	2,000,000	0
Regional Sports Authorities-RIIF	0	500,000	500,000	0
Total Economic Development, Dept. of	\$ 5,000,000	\$ 13,900,000	\$ 13,900,000	\$ 0
<u>Veterans Affairs, Department of</u>				
Veterans Affairs, Department of				
Home Ownership Assistance-RIIF	\$ 0	\$ 1,000,000	\$ 1,600,000	\$ 600,000
Total Veterans Affairs, Department of	\$ 0	\$ 1,000,000	\$ 1,600,000	\$ 600,000

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Corrections Capital</u>				
Corrections Capital				
CR Mental Health Facility-RC2	\$ 1,000,000	\$ 0	\$ 0	\$ 0
Prison Systems Study-RIIF	500,000	0	0	0
ISP Electrical Lease-RIIF	333,168	333,168	0	-333,168
Anamosa Dietary Renovation-RC2	0	1,400,000	0	-1,400,000
Major Maintenance-RIIF	0	0	36,440,000	36,440,000
Fort Dodge CBC Facility-RIIF	0	2,450,000	0	-2,450,000
Fort Dodge CBC Facility-RC2	1,000,000	0	0	0
Davenport CBC Facility-RC2	3,750,000	0	0	0
DOC Capitals Request-RIIF	0	5,495,000	0	-5,495,000
Prison Construction Planning-RIIF	0	500,000	0	-500,000
CBC Cedar Rapids MH Facility-RIIF	0	1,300,000	0	-1,300,000
Anamosa Boiler-RIIF	0	25,000	0	-25,000
Mitchellville Expansion-RIIF	0	0	51,430,000	51,430,000
Iowa State Penitentiary (ISP)-RIIF	0	0	121,175,000	121,175,000
CBC Des Moines Expansion-RIIF	0	0	21,000,000	21,000,000
CBC Ottumwa Bed Expansion-RIIF	0	0	6,833,333	6,833,333
CBC Sioux City Bed Expansion-RIIF	0	0	6,833,333	6,833,333
CBC Waterloo Bed Expansion-RIIF	0	0	6,833,334	6,833,334
Newton Bed Expansion-RIIF	0	0	25,300,000	25,300,000
Mt. Pleasant/Rockwell City Kitchens-RIIF	0	0	12,500,000	12,500,000
Security Improvements-RIIF	0	0	2,000,000	2,000,000
Total Corrections Capital	\$ 6,583,168	\$ 11,503,168	\$ 290,345,000	\$ 278,841,832
<u>Corrections, Department of</u>				
Corrections-Central Office				
Iowa Corrections Offender Network-TRF	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0
Total Corrections, Department of	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Treasurer of State</u>				
Treasurer of State				
County Fair Improvements-RIIF	\$ 1,060,000	\$ 1,590,000	\$ 1,590,000	\$ 0
Prison Infrastructure Bonds-RIIF	5,416,604	0	0	0
Total Treasurer of State	\$ 6,476,604	\$ 1,590,000	\$ 1,590,000	\$ 0
<u>Cultural Affairs Capital</u>				
Cultural Affairs Capital				
Battle Flags-RIIF	\$ 220,000	\$ 220,000	\$ 220,000	\$ 0
Historic Preservation-RIIF	800,000	1,000,000	1,000,000	0
Great Places Capitals-RIIF	0	3,000,000	3,000,000	0
Great Places Capitals-RC2	3,000,000	0	0	0
Veteran's Oral Histories-RIIF	1,000,000	0	0	0
American Gothic Visitors Center-RIIF	250,000	0	0	0
Technology-TRF	0	0	125,000	125,000
Kimball Organ Restoration-RIIF	0	0	80,000	80,000
Total Cultural Affairs Capital	\$ 5,270,000	\$ 4,220,000	\$ 4,425,000	\$ 205,000
<u>Revenue, Dept. of</u>				
Revenue, Department of				
SAVE Appropriation-RIIF	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 0
Total Revenue, Dept. of	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 0

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
<u>Transportation, Department of</u>				
Transportation, Department of				
RUTF-Drivers' Licenses	\$ 2,820,000	\$ 3,047,000	\$ 3,047,000	\$ 0
RUTF-Operations	5,667,786	6,367,178	6,411,178	44,000
RUTF-Administrative Services	548,222	0	0	0
RUTF-Planning & Programming	484,994	493,945	490,945	-3,000
RUTF-Motor Vehicle	33,205,657	34,530,525	34,443,525	-87,000
RUTF-DAS	140,000	188,207	183,000	-5,207
RUTF-Unemployment Compensation	17,000	17,000	17,000	0
RUTF-Workers' Compensation	125,480	108,000	117,000	9,000
RUTF-Indirect Cost Recoveries	102,000	102,000	102,000	0
RUTF-Auditor Reimbursement	56,420	60,988	60,988	0
RUTF-County Treasurers Support	2,064,000	1,832,000	1,442,000	-390,000
RUTF-Road/Weather Conditions Info	100,000	100,000	100,000	0
RUTF-Mississippi River Park. Comm.	40,000	40,000	61,000	21,000
RUTF-I-35 Corridor Coalition	50,000	50,000	50,000	0
RUTF-DOT Reporting Database	500,000	0	0	0
RUTF-IRP/IFTA	1,000,000	1,000,000	0	-1,000,000
RUTF-Overdimension Permit System	0	0	1,000,000	1,000,000
PRF-Operations	35,016,403	39,111,314	39,386,314	275,000
PRF-Administrative Services	3,400,067	0	0	0
PRF-Planning & Programming	9,227,088	9,375,862	9,320,862	-55,000
PRF-Highway	206,354,880	216,812,984	217,651,984	839,000
PRF-Motor Vehicle	1,393,456	1,481,497	1,435,497	-46,000
PRF-DAS	860,000	1,153,417	1,121,000	-32,417
PRF-DOT Unemployment	328,000	328,000	328,000	0
PRF-DOT Workers' Compensation	3,011,520	2,592,000	2,814,000	222,000
PRF-Garage Fuel & Waste Mgmt.	800,000	800,000	800,000	0
PRF-Indirect Cost Recoveries	748,000	748,000	748,000	0
PRF-Auditor Reimbursement	346,580	376,212	376,212	0
PRF-Transportation Maps	235,000	242,000	242,000	0
PRF-Inventory & Equip.	2,250,000	2,250,000	2,250,000	0
PRF-Field Facility Deferred Maint.	351,500	351,500	351,500	0
Recreational Trails-RIIF	0	2,000,000	3,000,000	1,000,000
Recreational Trails-RC2	2,000,000	0	0	0
Commercial Air Service-RIIF	0	1,500,000	1,500,000	0
Commercial Air Service-RC2	1,500,000	0	0	0
General Aviation Grants-RIIF	0	750,000	1,500,000	750,000
General Aviation Grants-RC2	750,000	0	0	0
Rail Revolving Loan & Grant Fund-RIIF	235,000	2,000,000	2,000,000	0
Aviation Improvements-RIIF	564,000	0	0	0
Public Transit Infrastructure-RIIF	0	2,200,000	2,200,000	0
Public Transit Infrastructure-RC2	2,200,000	0	0	0

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
Aviation Authority Assistance-SAF	0	20,000	0	-20,000
Total Transportation, Department of	\$ 318,493,053	\$ 332,029,629	\$ 334,551,005	\$ 2,521,376
<u>Economic Development Capitals</u>				
Economic Development Capitals				
ACE Infrastructure-RC2	\$ 5,500,000	\$ 0	\$ 0	\$ 0
Port Authority-RIIF	80,000	0	0	0
Total Economic Development Capitals	\$ 5,580,000	\$ 0	\$ 0	\$ 0

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Education Capital</u>				
Education Capital				
Enrich Iowa-RIIF	\$ 1,200,000	\$ 1,000,000	\$ 1,000,000	\$ 0
IPTV Capitals-RIIF	0	1,275,000	2,303,937	1,028,937
Iowa Learning Technologies-TRF	500,000	500,000	0	-500,000
Community College Infra.-RIIF	0	2,000,000	2,000,000	0
Community College Infra.-RC2	2,000,000	0	0	0
Digital TV Conversion-TRF	2,300,000	0	0	0
Analog Transmission-TRF	1,425,000	0	0	0
Uninterruptible Power Supply-TRF	315,000	0	0	0
NEICC Ag Safety-RIIF	0	35,000	0	-35,000
Total Education Capital	\$ 7,740,000	\$ 4,810,000	\$ 5,303,937	\$ 493,937
<u>Ethics and Campaign Disclosure</u>				
Campaign Finance Disclosure Commission				
Electronic Filing-TRF	\$ 39,100	\$ 0	\$ 0	\$ 0
Total Ethics and Campaign Disclosure	\$ 39,100	\$ 0	\$ 0	\$ 0
<u>Human Rights, Department of</u>				
Human Rights, Department of				
Integrated Justice Data System-TRF	\$ 2,645,066	\$ 2,881,466	\$ 1,839,852	\$ -1,041,614
Total Human Rights, Department of	\$ 2,645,066	\$ 2,881,466	\$ 1,839,852	\$ -1,041,614
<u>Human Services Capital</u>				
Human Services - Capital				
CSRU Payment Processing Equip.-TRF	\$ 0	\$ 272,000	\$ 0	\$ -272,000
Health/Safety/Loss-RIIF	0	0	1,010,000	1,010,000
Major Projects-RIIF	0	0	3,162,500	3,162,500
Maintenance-RIIF	0	0	303,000	303,000
Residential Treatment Center-RIIF	300,000	0	0	0
Nursing Facility Financial Assist.-RIIF	0	1,000,000	0	-1,000,000
Total Human Services Capital	\$ 300,000	\$ 1,272,000	\$ 4,475,500	\$ 3,203,500

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Iowa Finance Authority</u>				
Iowa Finance Authority				
IFA Water Quality Grants-RIIF	\$ 0	\$ 4,000,000	\$ 4,000,000	\$ 0
IFA Water Quality Grants-FES	4,000,000	0	0	0
State Housing Trust Fund-RIIF	0	2,500,000	3,000,000	500,000
Transitional Housing-RIIF	1,400,000	0	0	0
Total Iowa Finance Authority	\$ 5,400,000	\$ 6,500,000	\$ 7,000,000	\$ 500,000
<u>Iowa Telecommunications & Technology Commission</u>				
Iowa Communications Network				
ICN Equipment Replacement-TRF	\$ 1,997,500	\$ 2,067,000	\$ 2,190,123	\$ 123,123
Generator Replacement-TRF	0	0	2,283,742	2,283,742
ICN Voice Platform Redundancy-TRF	0	0	2,320,000	2,320,000
Total Iowa Telecommunications & Technology Cor	\$ 1,997,500	\$ 2,067,000	\$ 6,793,865	\$ 4,726,865
<u>Iowa Workforce Development</u>				
Iowa Workforce Development				
Worker's Comp Appeal System-TRF	\$ 0	\$ 500,000	\$ 0	\$ -500,000
Outcome Tracking System-TRF	0	580,000	0	-580,000
Total Iowa Workforce Development	\$ 0	\$ 1,080,000	\$ 0	\$ -1,080,000
<u>Law Enforcement Academy</u>				
Law Enforcement Academy				
Facility Needs Study-RIIF	\$ 0	\$ 0	\$ 100,000	\$ 100,000
ILEA Technology Projects-TRF	50,000	0	115,000	115,000
Total Law Enforcement Academy	\$ 50,000	\$ 0	\$ 215,000	\$ 215,000
<u>Parole, Board of</u>				
Parole Board				
Technology Projects-TRF	\$ 75,000	\$ 0	\$ 0	\$ 0
Total Parole, Board of	\$ 75,000	\$ 0	\$ 0	\$ 0

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
Public Defense Capital				
Public Defense Capital				
Camp Dodge Readiness Center-RIIF	\$ 100,000	\$ 50,000	\$ 0	\$ -50,000
Iowa City Readiness Center-RIIF	0	1,200,000	0	-1,200,000
Iowa City Readiness Center-RC2	1,444,288	0	0	0
Waterloo Aviation Readiness Center-RIIF	0	500,000	0	-500,000
Waterloo Readiness Center-RC2	1,236,000	0	0	0
Camp Dodge Water Project Phase 3-RIIF	0	400,000	410,000	10,000
Facility/Armory Maintenance-RIIF	0	1,500,000	1,750,000	250,000
Ottumwa Armory-RIIF	0	1,000,000	500,000	-500,000
Newton Readiness Center-RIIF	0	400,000	0	-400,000
Eagle Grove Readiness Center-RIIF	0	400,000	0	-400,000
Law Enf./Nat'l Guard Shoot House-RIIF	0	500,000	0	-500,000
STARCOMM-RIIF	1,000,000	2,000,000	0	-2,000,000
STARCOMM-RC2	600,000	0	0	0
Technology Upgrades-TRF	75,000	111,000	80,000	-31,000
Spencer Armory-RC2	689,000	0	0	0
STARCOMM-RIIF	0	0	1,600,000	1,600,000
Gold Star Museum-RIIF	0	1,000,000	2,000,000	1,000,000
Camp Dodge Electrical Distribution-RIIF	0	0	526,000	526,000
Davenport Aviation Readiness Center-RIIF	0	0	1,500,000	1,500,000
Cedar Rapids Readiness Center-RIIF	0	0	100,000	100,000
Perry Readiness Center-RIIF	0	0	900,000	900,000
Audubon Readiness Center-RIIF	0	0	900,000	900,000
Mount Pleasant Readiness Center-RIIF	0	0	900,000	900,000
Knoxville Readiness Center-RIIF	0	0	900,000	900,000
Shenandoah Readiness Center-RIIF	0	0	900,000	900,000
Charles City Readiness Center-RIIF	0	0	900,000	900,000
Oelwein Readiness Center-RIIF	0	0	900,000	900,000
Iowa Falls Readiness Center-RIIF	0	0	900,000	900,000
Camp Dodge Swimming Pool Pavilion-RIIF	0	0	500,000	500,000
Middleton Readiness Center-RIIF	0	0	100,000	100,000
Muscatine Readiness Center-RIIF	0	0	100,000	100,000
Camp Dodge Storm Shelter & Office-RIIF	0	0	1,368,000	1,368,000
Newton Readiness Center-RIIF	0	0	700,000	700,000
Total Public Defense Capital	\$ 5,144,288	\$ 9,061,000	\$ 18,434,000	\$ 9,373,000

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Public Safety Capital</u>				
Public Safety Capital				
Mason City Patrol Post-RIIF	\$ 0	\$ 2,400,000	\$ 0	\$ -2,400,000
Mason City Patrol Post-RCF	-2,400,000	0	0	0
Fire Service Training-RIIF	2,300,000	0	0	0
Fire Service Training-RC2	2,000,000	0	0	0
AFIS Lease Purchase-TRF	550,000	560,000	560,000	0
Technology Projects-TRF	943,000	1,900,000	134,000	-1,766,000
Law Enf. Training Track-RIIF	800,000	0	0	0
Regional Fire Training Facility-RIIF	0	1,400,000	0	-1,400,000
Emergency Response Training Facility-RIIF	0	2,000,000	0	-2,000,000
Land, Radio Console, Equipment-RCF	2,400,000	0	0	0
Ottumwa Post 14-RIIF	0	0	2,700,000	2,700,000
ISP Garage Land Acquisition-RIIF	0	0	1,000,000	1,000,000
Radio Replacement-TRF	0	0	450,000	450,000
Iowa System Redundancy-TRF	0	0	500,000	500,000
Total Public Safety Capital	\$ 6,593,000	\$ 8,260,000	\$ 5,344,000	\$ -2,916,000
<u>Public Safety, Department of</u>				
Public Safety, Department of				
DPS Capitol Complex Upgrades-RIIF	\$ 0	\$ 0	\$ 750,000	\$ 750,000
Total Public Safety, Department of	\$ 0	\$ 0	\$ 750,000	\$ 750,000

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Regents Capital</u>				
Regents Capital				
Tuition Replacement-RIIF	\$ 0	\$ 10,329,981	\$ 0	\$ -10,329,981
SUI-Inst. for Biomedical Discovery-RIIF	0	10,000,000	10,000,000	0
Fire Safety and Deferred Maint.-VIF	0	1,000,000	0	-1,000,000
Fire Safety and Deferred Maint.-RIIF	0	0	50,000,000	50,000,000
Major Renovation/Repairs-RIIF	6,200,000	0	0	0
SUI Hygienic Laboratory-RIIF	8,350,000	15,650,000	12,000,000	-3,650,000
Major Renovation & Repairs-RC2	10,000,000	0	0	0
Endowments & Salaries-RIIF	5,000,000	0	0	0
Biosciences Infrastructure-VIF	5,000,000	0	0	0
Biosciences Infrastructure-RIIF	1,800,000	0	0	0
ISU Veterinary Laboratory-RIIF	2,000,000	0	0	0
Novel Proteins Facility-RIIF	1,000,000	0	0	0
UNI Playground Safety-RIIF	500,000	0	0	0
ISU - Renewable Fuels Building-RIIF	0	5,647,000	14,756,000	9,109,000
ISU-Veterinary Lab-VIF	0	600,000	0	-600,000
UNI - MyEntreNet-TRF	0	235,000	0	-235,000
Total Regents Capital	\$ 39,850,000	\$ 43,461,981	\$ 86,756,000	\$ 43,294,019
<u>Regents, Board of</u>				
Regents, Board of				
Tuition Replacement-RIIF	\$ 10,329,981	\$ 0	\$ 0	\$ 0
Biosciences-RIIF	8,200,000	0	0	0
Total Regents, Board of	\$ 18,529,981	\$ 0	\$ 0	\$ 0
<u>Secretary of State</u>				
Secretary of State				
Voting Machine Grants-RIIF	\$ 0	\$ 2,000,000	\$ 0	\$ -2,000,000
Total Secretary of State	\$ 0	\$ 2,000,000	\$ 0	\$ -2,000,000

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>State Fair Authority Capital</u>				
State Fair Authority Capital				
State Fair Capitals-RC2	\$ 1,000,000	\$ 0	\$ 0	\$ 0
Agri. Exhibition Center-RIIF	0	3,000,000	0	-3,000,000
Total State Fair Authority Capital	\$ 1,000,000	\$ 3,000,000	\$ 0	\$ -3,000,000
<u>Transportation Capitals</u>				
Transportation Capital				
PRF-Utility Improvements	\$ 400,000	\$ 400,000	\$ 400,000	\$ 0
PRF-Garage Roofing Projects	100,000	100,000	200,000	100,000
PRF-HVAC Improvements	100,000	100,000	100,000	0
PRF-Fairfield Garage	2,500,000	0	0	0
PRF-ADA Improvements	200,000	200,000	100,000	-100,000
PRF-Pave Complex Parking Lot	200,000	0	0	0
PRF-Ames Elevator Upgrade	100,000	100,000	100,000	0
PRF-Clarinda Garage	0	2,300,000	0	-2,300,000
RUTF-Scale & Inspection Sites	-2,133	0	0	0
RUTF-Scale Maintenance	0	100,000	200,000	100,000
PRF-Waukon Garage	0	0	2,500,000	2,500,000
PRF-Maintenance Garage Impr.	0	0	1,000,000	1,000,000
Total Transportation Capitals	\$ 3,597,867	\$ 3,300,000	\$ 4,600,000	\$ 1,300,000
<u>Veterans Affairs Capitals</u>				
Veterans Affairs Capital				
Veterans Home Capitals-RCF	\$ 6,200,000	\$ 0	\$ 0	\$ 0
Veterans Affairs Capital Improvements-RIIF	0	0	180,000	180,000
Vet. Home Infrastructure-RIIF	0	532,000	20,555,329	20,023,329
Veterans Affairs Technology-TRF	0	0	15,000	15,000
Total Veterans Affairs Capitals	\$ 6,200,000	\$ 532,000	\$ 20,750,329	\$ 20,218,329
Total Transportation, Infrastructure, and Capitals	\$ 553,280,674	\$ 558,874,071	\$ 984,358,008	\$ 425,483,937

Unassigned Standing

Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	FY 2009 vs. FY 2008 (4)
<u>Human Services, Department of</u>				
Human Services - Assistance				
MH Costs for Children under 18-MH Property Tax Relief Fund	\$ 6,600,000	\$ 6,600,000	\$ 6,600,000	\$ 0
Senior Living Trust Fund-ENDW	25,000,000	0	0	0
Total Human Services, Department of	\$ 31,600,000	\$ 6,600,000	\$ 6,600,000	\$ 0
<u>Legislative Branch</u>				
Legislative Services Agency				
LSA - Affordable Health Care-HCTF	\$ 0	\$ 500,000	\$ 500,000	\$ 0
Total Legislative Branch	\$ 0	\$ 500,000	\$ 500,000	\$ 0
<u>Management, Department of</u>				
Management, Department of				
Environment First Fund-RIIF	\$ 35,000,000	\$ 40,000,000	\$ 40,000,000	\$ 0
Environment First Balance Adj	-35,000,000	-40,000,000	-40,000,000	0
Vertical Infrastructure Fund-RIIF	15,000,000	50,000,000	50,000,000	0
Vertical Infrastructure Fund Bal. Adj.	-15,000,000	-50,000,000	-50,000,000	0
FY 04 State Appeal Board Claims	87,874	0	0	0
Total Management, Department of	\$ 87,874	\$ 0	\$ 0	\$ 0
<u>Treasurer of State</u>				
Treasurer of State				
Healthy Iowans Tobacco Trust-ENDW	\$ 59,250,621	\$ 60,139,379	\$ 60,139,379	\$ 0
Healthy Iowans Tobacco Trust Bal Adj	-59,250,621	-60,139,379	-60,139,379	0
Total Treasurer of State	\$ 0	\$ 0	\$ 0	\$ 0
<u>Revenue, Dept. of</u>				
Revenue, Department of				
Homestead Property Tax Credit - PTCF	\$ 102,945,379	\$ 99,254,781	\$ 99,254,781	\$ 0
Agricultural Land and Family Farm Tax Credits - PTCF	34,610,183	34,610,183	34,610,183	0
Military Service Tax Credit - PTCF	2,773,402	2,800,000	2,800,000	0
Elderly and Disabled Tax Credit and Reimbursement - PTCF	19,540,000	23,204,000	23,204,000	0
Total Revenue, Dept. of	\$ 159,868,964	\$ 159,868,964	\$ 159,868,964	\$ 0

Unassigned Standing

Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	FY 2009 vs. FY 2008
	(1)	(2)	(3)	(4)
<u>Transportation, Department of</u>				
Transportation, Department of				
Personal Delivery of Services DOT-RUTF	\$ 225,000	\$ 225,000	\$ 225,000	\$ 0
County Treasurer Equipment Standing-RUTF	650,000	650,000	650,000	0
Total Transportation, Department of	\$ 875,000	\$ 875,000	\$ 875,000	\$ 0
Total Unassigned Standing	\$ 192,431,838	\$ 167,843,964	\$ 167,843,964	\$ 0

PROJECTED FY 2009 BUILT-IN AND ANTICIPATED GENERAL FUND EXPENDITURE INCREASES AND DECREASES

A built-in expenditure is a standing appropriation required by the Code of Iowa, an entitlement program, or a prior appropriation for a future fiscal year that increases or decreases compared to the appropriation level of the prior year. Built-in expenditures may be changed through the enactment of legislation. An anticipated expenditure represents a cost that a state agency will incur based on a prior obligation or action. Anticipated expenditures are not mandated by the Code of Iowa and require legislative action in order to have increases funded. The built-in and anticipated expenditures reflect the incremental increase over the prior year's appropriation levels.

For FY 2009, the Legislative Services Agency (LSA) is projecting \$584.4 million in built-in and anticipated increases and decreases. The FY 2009 projection includes \$446.0 million in General Fund built-in changes and \$138.4 million in anticipated increases and decreases.

(Dollars in Millions)

<u>Incremental Built-in Changes</u>	LSA Estimates
1. Revenue - Homestead Tax Credit	\$ 121.6
2. Education - K-12 School Foundation Aid	89.3
3. Education - Teacher Quality/Student Achievement Program	75.0
4. Human Services - Medical Assistance	39.0
5. Revenue - Agricultural Land Tax Credit	33.0
6. Office of Energy Independence - Iowa Power Fund	25.0
7. Revenue - Elderly and Disabled Credit	19.1
8. Education - Preschool Foundation Aid	15.3
9. Human Services - Mental Health Growth Factor	8.1
10. Education - Shared Weighting	7.6
11. Management - State Appeal Board Claims	4.4
12. College Aid - College Student Aid Work Study Program	2.5
13. Revenue - Military Service Tax Credit	2.3
14. Public Health - Substance Abuse	2.0
15. Education - Educational Excellence	1.4
16. Education - Instructional Support	0.4
Subtotal	\$ 446.0

Appendix B – Projected FY 2009 Built-In and Anticipated General Fund Expenditures

(Dollars in Millions)

Incremental Anticipated Expenditure Changes	LSA Estimates
17. Collective Bargaining Salary Costs	\$ 88.4
18. Healthy Iowans Tobacco Trust Fund Programs	16.5
19. Human Services - IowaCare Loss	6.2
20. Human Services - Child Support Recovery Unit	5.3
21. Corrections - Increased Operating Costs	4.5
22. Economic Development - Targeted Small Business Programs	4.0
23. Corrections - Community-Based-Corrections	3.6
24. Education - Skills Iowa Technology Grant Program	3.0
25. Judicial Branch - Retirement Fund Contribution	2.5
26. Administrative Services - DAS Distribution Account	2.0
27. Corrections - Sex Offender Supervision and Treatment	1.9
28. Human Services - Field Operations	1.5
29. Inspections and Appeals - Indigent Defense and Public Defender	1.3
30. Board of Regents - ISU Veterinary Laboratory	1.0
31. Public Health - Brain Injury Waiver	1.0
32. Public Health - Addictive Disorders and Tobacco Cessation	0.7
33. Human Services - Mental Health Risk Pool	0.5
34. Human Services - Civil Commitment Unit for Sex Offender	0.2
35. Human Services - Child and Family Services	0.2
36. Public Health - Sexual Violence Prevention Programming	0.2
37. Veterans Affairs - Cemetery Staff and Costs	0.2
38. Veterans Affairs - Staff	0.1
39. Public Safety - Fort Madison Gaming Facility	-0.3
40. Veterans Affairs - Veterans Home Net Budgeting	-1.0
41. Governor's Office of Drug Control Policy - Drug Task Forces	-1.4
42. Human Services - State Resource Centers	-3.7
Subtotal	\$ 138.4
TOTAL PROJECTED EXPENDITURE CHANGES	\$ 584.4

FY 2009 ESTIMATED GENERAL FUND EXPENDITURES

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
1. Revenue – Homestead Tax Credit	Provides a property tax credit for residential homeowners.	<ul style="list-style-type: none"> The Homestead Tax Credit was funded from the PTCF at \$99.3 million in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$17.4 million was allocated for the Homestead Tax Credit. 	\$ 121.6	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. 	\$ 39.7
<i>Standing Unlimited Appropriation</i>	NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.	<ul style="list-style-type: none"> Fully funding the Credit in FY 2009 is estimated at \$139.0 million. The incremental increase to the General Fund is \$121.6 million. Assumes the Credit will be funded entirely from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. The estimate is based on projected demand by the Department of Revenue. 		<ul style="list-style-type: none"> Eliminate the tax credit. 	\$ 139.0

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
2. Education – K-12 School Foundation Aid <i>Standing Unlimited Appropriation</i>	<p>The School Foundation Program establishes limits and controls on local school district spending authority. By formula, the Program determines the amount of State Aid and local property tax used in funding the majority of school district budgets.</p> <p>NOTE: Enrollment data for FY 2009 is not currently available. Estimates displayed here will be revised based on that information. The updated enrollment and weighting information will be available in December.</p>	<p>Assumes the following:</p> <ul style="list-style-type: none"> • 4.0% allowable growth rate. • Increase in taxable valuations of 5.5%. • Special education weightings increase of 2.0%. • Supplemental weighting for shared pupil/teacher increase of 10.0%. • English as a Second Language weighting increase of 10.0%. • At-risk student weighting increase of 1.0%. • Restores the statutory reduction of \$7.5 million to the Area Education Agencies. • Includes \$6.0 million increase for Adjusted Additional Property Tax Levy Aid. 	\$ 89.3	<ul style="list-style-type: none"> • Reduce the allowable growth rate to 3.0%. • Increase the Uniform Property Tax Levy from \$5.40 to \$5.90. This option will increase local property tax by the amount of the reduction to State aid. • Reduce the Regular Program, Special Education Regular Program, and AEA Special Education Foundation Levels by one percentage point. This will reduce State Aid and increase local property tax. • Reduce the FY 2008 State Cost per Pupil and District Cost per Pupil by \$100. • Notwithstanding the Adjusted Additional Property Tax Levy Aid for FY 2009. This will increase property taxes in 65 school districts. 	<p>\$ 26.9</p> <p>\$ 57.0</p> <p>\$ 32.5</p> <p>\$ 51.0</p> <p>\$ 18.0</p>

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
3. Education – Teacher Quality/Student Achievement Program <i>Standing Limited Appropriation</i>	<p>Provides funding to school districts to enhance teacher salaries, provide beginning teacher mentoring, enhance salaries for hard-to-staff teaching assignments, provide professional development, and explore pay-for-performance incentives. Specifies minimum salaries for beginning career teachers.</p> <p>Provides funding to the Department of Education for the Career Development Program, evaluator training, National Board Certification stipends, and administrative costs of the Program.</p>	<ul style="list-style-type: none"> Senate File 277 (Student Achievement and Teacher Quality Program Act) appropriates \$248.9 million for FY 2009, an increase of \$75.0 million compared to the FY 2008 level. 	\$ 75.0	<ul style="list-style-type: none"> Minimum increase to fund minimum salaries for teachers moving from one career level to another. 	\$ 70.9

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
4. Human Services – Medical Assistance <i>Appropriation</i>	<p>Medical Assistance is a state/federal entitlement program that provides medical services to eligible low-income recipients. To qualify for federal funding, the State must reimburse providers for certain mandatory services. The State has the option to provide coverage of additional services and can elect to expand coverage to optional eligibility groups. Iowa is currently covering most of the optional services and optional eligibility groups that qualify for federal matching funds. The State also has the ability to set the rates it uses to reimburse service providers, within federal guidelines.</p>	<ul style="list-style-type: none"> • Adds \$9.7 million for increased enrollment and fee for services due to utilization. • Adds \$3.4 million to fund the elderly waiver. • Adds \$1.3 million for enrollment growth in the Medicaid for Independent Young Adults (MIYA) Program. • Adds \$2.8 million to expand coverage for Medicaid eligible children. • Adds 10.0 million for increased payments to the federal government for Medicare coverage of dual eligibles. • A decrease of \$15.0 million for a Federal Medicaid Assistance Percentage (FMAP) increase. • Adds \$10.8 million to cover carryforward funds used in FY 2008. • Adds \$16.0 million due to the loss of federal matching funds that are deposited into IowaCare Account for use by the four mental health institutes. 	<p>\$ 39.0</p>	<ul style="list-style-type: none"> • Reduce or eliminate optional Medicaid coverage groups. The savings depends on the options eliminated. • Reduce or freeze current provider rates. The savings depends on the provider rates that are adjusted. • Eliminate optional services. The savings depends on the options eliminated. • Reduce anesthesiologists to 100.0% of Medicare rates. • Move behavioral drugs to the preferred drug lists. • Recalculate the State Maximum Allowable Cost (SMAC) payment to pharmacies. 	

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
5. Revenue – Agricultural Land Tax Credit <i>Standing Limited Appropriation</i>	Provides a property tax credit to individuals for qualified lands used for agricultural purposes. Includes the Family Farm Tax Credit. NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.	<ul style="list-style-type: none"> The Agricultural Land Tax Credit was funded from the Property Tax Credit Fund in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$6.1 million was allocated for the Agricultural Land Tax Credit. Fully funding the Credit for FY 2009 is estimated at \$39.1 million. The incremental increase to the General Fund is \$33.0 million. Assumes the Credit will be funded entirely from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. 	\$ 33.0	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. Fund only the Family Farm Tax Credit. Eliminate the tax credit. 	\$ 4.4 \$ 29.1 \$ 39.1
6. Office of Energy Independence – Iowa Power Fund <i>Standing Limited Appropriation</i>	House File 927 (Iowa Power Fund Appropriations Act) established the Iowa Power Fund to provide grants and loans for energy-related development. The Program was funded with a \$24.7 million FY 2007 supplemental appropriation to be used for FY 2008 costs.	<ul style="list-style-type: none"> House File 927 appropriates \$25.0 million per year beginning in FY 2009 through FY 2011. 	\$ 25.0	<ul style="list-style-type: none"> Eliminate the appropriation. 	\$ 25.0

(Dollars in Millions)

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
9. Human Services – Mental Health Growth Factor <i>Appropriation</i>	The Mental Health Growth Factor provides an increase for inflation applied to the sum of the county base expenditures for Mental Health/Mental Retardation/Developmental Disabilities Services funds and the previous allowed growth appropriation.	<ul style="list-style-type: none"> The FY 2009 Growth Factor was established in SF 601 (FY 2008 Standing Appropriations Act). This is an increase of \$8.1 million compared to the estimated FY 2008 appropriation. Assumes continuation of the appropriation from the Health Care Trust Fund for FY 2009 at the FY 2008 level. 	\$ 8.1	<ul style="list-style-type: none"> Eliminate the FY 2009 increase enacted in SF 601. 	\$ 8.1
10. Education – Shared Weighting <i>Standing Unlimited Appropriation</i>	Provides additional supplementary weighting for operational sharing, ICN classes, and school district reorganizations generated through the school finance formula.	<ul style="list-style-type: none"> Assumes \$800,000 for reorganization incentives, \$6.7 million for operational sharing incentives, and \$130,000 for ICN sharing incentives. 	\$ 7.6	<ul style="list-style-type: none"> No options identified 	
11. Management – State Appeal Board Claims <i>Standing Unlimited Appropriation</i>	<p>The Board is composed of the State Auditor, State Treasurer, and the Director of the Department of Management. (Section 73A.1, <u>Code of Iowa</u>)</p> <p>The Board authorizes claims under:</p> <ul style="list-style-type: none"> Chapter 25, <u>Code of Iowa</u>, for the payment of bills, fees, refunds, and credits. Chapter 669, <u>Code of Iowa</u>, State Tort Claims. <p>Payment is made from the appropriation or fund of original certification of the claim, unless the appropriation or fund has reverted. Then the payment is from unobligated State funds.</p>	<ul style="list-style-type: none"> The increase is based on historical claims paid through the Appeal Board. The average annual payment for Appeal Board claims from FY 2001 through FY 2007 was \$8.8 million (adjusted for large one-time payouts in FY 2004). For FY 2008, \$4.4 million is budgeted for claims. This is less than the level of historical claims. The FY 2009 claims are estimated to be \$8.8 million. 	\$ 4.4	<ul style="list-style-type: none"> The <u>Code of Iowa</u> allows the General Assembly to refuse claims. Refusal constitutes adjudication against the claim, and bars any further proceedings before the General Assembly for payment of the claim. 	

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
12. College Aid – College Student Aid Work Study Program <i>Standing Limited Appropriation</i>	This is a standing limited appropriation set at \$2.8 million in Section 261.85, <u>Code of Iowa</u> . This State funding is provided to colleges and universities to supplement federal work-study funds of approximately \$13.0 million annually. The State funding does not serve as a match for the federal funds.	<ul style="list-style-type: none"> This Program received a General Fund appropriation of \$295,600 for FY 2008. The estimate returns the appropriation to the statutory level of \$2.8 million. 	\$ 2.5	<ul style="list-style-type: none"> Eliminate funding for the Program for FY 2009. 	\$ 2.8
13. Revenue – Military Service Tax Credit <i>Standing Unlimited Appropriation</i>	<p>Provides a property tax credit to replace all or a portion of the tax on property eligible for a Military Service Tax Exemption. Section 426.1A, <u>Code of Iowa</u>, appropriates an amount necessary to fund the credits.</p> <p>NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.</p>	<ul style="list-style-type: none"> The Military Service Tax Credit was funded from the Property Tax Credit Fund in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$0.5 million was allocated for the Military Service Tax Credit. Fully funding the tax credit in FY 2009 is estimated at \$2.8 million. The incremental increase to the General Fund is \$2.3 million. Assumes the Credit will be funded from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. The estimate is based on projected demand by the Department of Revenue. 	\$ 2.3	<ul style="list-style-type: none"> Eliminate the tax credit. 	\$ 2.8

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
14. Public Health – Substance Abuse <i>Standing Limited Appropriation</i>	Section 123.53(3), <u>Code of Iowa</u> , appropriates \$2.0 million from liquor sales revenue to the Department of Public Health for the Substance Abuse Prevention and Treatment Program.	<ul style="list-style-type: none"> House File 909 (FY 2008 Health and Human Services Appropriations Act) stated that the appropriations for Addictive Disorders contained in the Act from the General Fund and the Health Care Trust Fund covered the statutory requirement of a \$2.0 million appropriation for substance abuse treatment from the General Fund. Under current law, the \$2.0 million will be appropriated from the General Fund in FY 2009. 	\$ 2.0	<ul style="list-style-type: none"> Eliminate or notwithstanding the FY 2009 standing appropriation. 	\$ 2.0
15. Educational Excellence <i>Standing Limited Appropriation</i>	Provides allocations to local school districts to enhance teacher salaries. Section 294A.25, <u>Code of Iowa</u> , appropriates \$56.9 million for the Program.	<ul style="list-style-type: none"> The standing appropriation was reduced to \$55.5 million in FY 2008. The appropriation will return to \$56.9 million in FY 2009 unless legislative action is taken to change the amount. 	\$ 1.4	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. 	\$ 1.4
16. Instructional Support <i>Appropriation</i>	Provides additional funding of up to 10.0% of the regular program district cost to be used for general operations. Funding comes from property taxes or a combination of property taxes and income surtax, and from State aid. The State aid has been capped at \$14.8 million. Sections 257.18-20, & 24-27, <u>Code of Iowa</u> , define the Program and its funding.	<ul style="list-style-type: none"> Assumes the appropriation will return to the statutory level. 	\$ 0.4	<ul style="list-style-type: none"> Require the Program to be entirely locally funded. Maintain the FY 2008 funding level. 	\$ 14.8 \$ 0.4

FY 2009 ESTIMATED GENERAL FUND EXPENDITURES

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
17. Collective Bargaining Salary Packages <i>Appropriation</i>	<p>Estimated salary increases for negotiated collective bargaining costs. Salary increases are subject to collective bargaining.</p> <p>The State is currently in the process of negotiations with unions representing State employees for salaries and benefits for FY 2010 and FY 2011.</p>	<ul style="list-style-type: none"> This estimated General Fund incremental increase, without any FY 2009 changes, is \$6.3 million. The estimate is based on an increase of \$82.1 million for step increases, benefit enhancements, and a 3.0% FY 2009 across-the-board increase. Includes \$40.0 million for the Board of Regents. 	\$ 88.4	• No options identified.	
18. Healthy Iowans Tobacco Trust Funds Programs (HITT) <i>Appropriation</i>	<p>The HITT Fund was established in FY 2002 and received an appropriation of \$55.0 million from the Endowment for Iowa's Health Account. Section 12E.12, <u>Code of Iowa</u>, requires this appropriation to be increased 1.5% annually. In FY 2008, the appropriation was \$60.1 million. The HITT Fund is used to fund health-related programs.</p>	<ul style="list-style-type: none"> In FY 2008, a total of \$70.1 million was appropriated from the HITT Fund. Assumes the General Assembly will fund all HITT programs in FY 2009 at the FY 2008 level. Due to declining revenues in the Endowment for Iowa's Health Account, the HITT Fund will have a \$16.5 million funding shortfall in FY 2009. 	\$ 16.5	• Eliminate or reduce funding for programs traditionally funded from the HITT Fund.	\$ 16.5

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
19. Human Services - IowaCare <i>Appropriation</i>	IowaCare is limited health care. This program provides some inpatient and outpatient services, doctor, and advanced registered nurse practitioner services, dental services, limited prescription drug benefits, and transportation at the University of Iowa Hospitals and Clinics and Broadlawns Medical Center in Des Moines.	<ul style="list-style-type: none"> An increased of \$6.2 million is estimated due to increased utilization of the IowaCare Program at the University of Iowa Hospitals and Clinics. See the Medicaid built-in for other cost increases associated with the IowaCare Program. 	\$ 6.2	• No options identified.	
20. Human Services – Child Support Recovery Unit <i>Appropriation</i>	The Child Support Recovery Unit establishes the legal obligation of both parents to provide for their children and enforces the obligation established by the court.	<ul style="list-style-type: none"> This is a loss of funding due to the Federal Deficit Reduction Act of 2005 that prohibits the State from receiving a federal match based on performance incentives. 	\$ 5.3	• No options identified.	
21. Corrections – Increased Operating Costs <i>Appropriation</i>	Costs associated with operating the State prison and Community-Based Corrections (CBC) system.	<ul style="list-style-type: none"> Increased costs for supervising more offenders, and rate increases. 	\$ 4.5	• Maintain funding at the FY 2008 level.	
22. Economic Development – Targeted Small Business Programs <i>Appropriation</i>	House File 890 (Targeted Small Business Supplemental Appropriations Act) provided supplemental appropriations totaling \$4.0 million to be used in FY 2008 for newly established Targeted Small Business programs and initiatives.	<ul style="list-style-type: none"> The programs were funded in FY 2008 with FY 2007 supplemental appropriations that were allowed to carry forward. Assumes continuation of the Program in FY 2009. 	\$ 4.0	• Eliminate the assistance to TSBs, including the \$2.5 million TSB Financial Assistance Program.	\$ 4.0
23. Corrections – Community-Based-Corrections <i>Appropriation</i>	Community-Based-Correction facilities are under construction in Fort Dodge and Cedar Rapids. Annual operating costs will increase when the facilities open.	<ul style="list-style-type: none"> Assumes the construction will be completed timely. 	\$ 3.6	• Maintain funding at the FY 2008 level.	\$ 3.6

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
24. Education – Skills Iowa Technology Grant Program <i>Appropriation</i>	The Skills Iowa Technology Program (previously called the Follow-the-Leader Technology Grant Program) provides assessment and remediation tools to classrooms, to enhance teachers' ability to easily assess the skill levels of individual students and prescribe individualized instruction plans based on those assessments, and provides for professional development for teachers.	<ul style="list-style-type: none"> • Prior to FY 2008, this Program was federally funded. The Program was funded in FY 2008 with a FY 2007 supplemental appropriation that was allowed to carry forward. • Assumes continuation of the Program in FY 2009. 	\$ 3.0	• No options identified.	
25. Judicial Branch – Retirement Fund Contribution <i>Appropriation</i>	The Judicial Retirement System provides retirement benefits to judges. Pursuant to Section 602.9104(4), <u>Code of Iowa</u> , the employer's contribution rate is 23.7% of all covered judges' salaries.	<ul style="list-style-type: none"> • Senate File 563 (FY 2007 Judicial Branch Appropriations Act) reduced the employer's contribution rate to 22.5% for one year. • The judge's contribution rate is set by statute and was changed during the 2006 Legislative Session, from 5.0% of covered pay to 6.0%, but reduced to 5.7% because the rate is tied to the amount appropriated for the State share in FY 2007. • This estimate assumes restoration of the statutory contribution rate of 23.7% and only considers the General Fund share. 	\$ 2.5	• According to the October 2007 actuarial report, the Judicial Retirement Fund is 70.0% funded and the combined annual required contribution rate is 30.9%. The contribution rate could be modified so that judges pay more of the unfunded liability. The savings depends on the selected contribution rate.	

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
26. Administrative Services – DAS Distribution Account <i>Appropriation</i>	The Department of Administrative Services (DAS) assesses a fee to State agencies to pay the cost of operating the Integrated Information for Iowa (I/3) System. The fees are typically paid from the agencies' General Fund budgets. Enhancements to the I/3 System are funded with an appropriation to the DAS Distribution Account. The funds appropriated from the DAS Distribution Account are then distributed by formula to the State agencies to build the costs into their base budgets.	<ul style="list-style-type: none"> The Department received a \$2.0 million appropriation from the Rebuild Iowa Infrastructure Funds (RIIF) for FY 2008 to fund increased operational costs of the I/3 System. Because the appropriation was from RIIF, the funds could not be allocated to the agencies' General Fund budgets. If a \$2.0 million appropriation is not provided for the DAS Distribution Account in FY 2009, State agencies will be billed for the additional costs. These costs are not included in their FY 2009 budgets. 	\$ 2.0	<ul style="list-style-type: none"> Eliminate the appropriation and require State agencies to fund the increased costs from existing budgets. 	\$ 2.0
27. Corrections – Sex Offender Treatment and Supervision <i>Appropriation</i>	The Department of Corrections provides treatment and supervision of sex offenders.	<ul style="list-style-type: none"> The estimate is to cover increased cost of supervising sex offenders over an extended period. 	\$ 1.9	<ul style="list-style-type: none"> Amend HF 619 to modify certain supervision and treatment requirements. 	\$ 1.9
28. Human Services – Field Operations <i>Appropriation</i>	Provides the staff in 99 counties for operations of the DHS programs and services.	<ul style="list-style-type: none"> For FY 2008, the Department was authorized to use \$1.5 million of FY 2007 carryforward funds for FY 2008. Assumes the carryforward funds will not be available at the end of FY 2008 for use in FY 2009. 	\$ 1.5	<ul style="list-style-type: none"> No options identified. 	

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
29. Inspections and Appeals – Indigent Defense and State Public Defender <i>Appropriation</i>	The Indigent Defense Fund and State Public Defender's Office provide legal counsel to indigent adult and juvenile clients to insure their constitutional right to effective legal counsel.	<ul style="list-style-type: none"> The FY 2008 estimate is based on FY 2006 actual expenditures. 	\$ 1.3	<ul style="list-style-type: none"> The General Assembly could reduce the hourly rates for private attorneys. The General Assembly could reduce fee limitations for private attorneys by the type of case. These limitations are currently set by administrative rule. 	Unknown
30. Board of Regents – ISU Veterinary Laboratory <i>Appropriation</i>	Senate File 551 (FY 2008 Agriculture and Natural Resources Appropriations Act) appropriated \$2.0 million for the operation of the Veterinary Diagnostic Laboratory at Iowa State University. Intent language in SF 551 states that the General Assembly will increase funding for the Lab by \$1.0 million in FY 2009 and FY 2010.	<ul style="list-style-type: none"> Assumes the General Assembly will increase the appropriation from \$2.0 million to \$3.0 million in FY 2009. 	\$ 1.0	<ul style="list-style-type: none"> Maintain funding at the FY 2008 level. 	\$ 1.0
31. Public Health – Brain Injury Waiver <i>Appropriation</i>	Provides the non-federal share for the cost of the Medicaid Brain Injury Waiver. The FY 2007 and FY 2008 funds were allocated to the Brain Injury Program from the Mental Health Allowed Growth appropriation.	<ul style="list-style-type: none"> The DPH had up to an estimated \$2.0 million in carryforward funds from FY 2007 that are expected to buy down the waiting list for the Brain Injury Waiver in FY 2008. The funds will have to be replaced in FY 2009 to continue services to these individuals. 	\$ 1.0	<ul style="list-style-type: none"> Utilize a portion of the FY 2009 Mental Health Allowed Growth appropriation to replace funds for those served on the Brain Injury Waiver. 	\$ 1.0
32. Public Health – Addictive Disorders and Smoking Cessation <i>Appropriation</i>	Provides tobacco prevention and cessation programs.	<ul style="list-style-type: none"> Assumes continuation of tobacco prevention and cessation efforts that were partially funded in FY 2008 with an FY 2007 supplemental appropriation that was allowed to carry forward. 	\$ 0.7	<ul style="list-style-type: none"> No options identified. 	

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
33. Human Services – Mental Health Risk Pool <i>Appropriation</i>	Provides an emergency funding source to counties that have depleted their State mental health funds.	<ul style="list-style-type: none"> Estimated cost to replacing one-time FY 2007 and FY 2008 funds from two budget units in DHS made available for the Mental Health Risk Pool that won't be available in FY 2009. 	\$ 0.5	<ul style="list-style-type: none"> No options identified. 	
34. Human Services – Civil Commitment Unit for Sex Offenders <i>Appropriation</i>	Provides the security and mental health treatment components of former inmates that are civilly committed to the Program prior to release from prison.	<ul style="list-style-type: none"> The growth in the number of clients within the Program require the utilization of additional space and staff within the facility. 	\$ 0.2	<ul style="list-style-type: none"> Eliminate of the Program. 	\$ 6.5
35. Human Services – Child and Family Services <i>Appropriation</i>	Provides funding for Juvenile Drug Court Programs.	<ul style="list-style-type: none"> For FY 2008, the Programs were partially funded with carryforward funds from FY 2007. 	\$ 0.2	<ul style="list-style-type: none"> No options identified. 	
36. Public Health – Sexual Violence Prevention Programming <i>Appropriation</i>	Provides sexual violence prevention and victims assistance programs	<ul style="list-style-type: none"> Assumes continuation of the programming that was funded in FY 2008 with the remaining balance from the Hospital Trust Fund (\$165,522). 	\$ 0.2	<ul style="list-style-type: none"> Eliminate the Program. 	\$ 0.2
37. Veterans Affairs – Cemetery Staff and Costs <i>Appropriation</i>	The federal government has provided funds for an Iowa Veterans Cemetery. The State is responsible for maintaining the Cemetery upon completion	<ul style="list-style-type: none"> The last year of the three-year staggered staffing costs will occur in FY 2009. 	\$ 0.2	<ul style="list-style-type: none"> The agreement with the federal government requires the State of Iowa to maintain the Cemetery. 	
38. Veterans Affairs – Staff <i>Appropriation</i>	Additional programs and services have been added by the General Assembly for the Department of Veterans Affairs.	<ul style="list-style-type: none"> Two additional staff was provided in FY 2008 from one-time funds from the County Grant Program. 	\$ 0.1	<ul style="list-style-type: none"> Elimination of the additional staff in FY 2009 	\$ 0.1

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
39. Public Safety – Fort Madison Gaming Facility <i>Appropriation</i>	The Department of Public Safety receives a General Fund appropriation to fund DCI agents that provide the law enforcement presence at gaming establishments. The Racing and Gaming Commission charges the industry for these costs. The payments received from the gaming industry are deposited in the General Fund.	<ul style="list-style-type: none"> The riverboat casino located in Fort Madison is scheduled to close on November 15. The State will have billed the establishment approximately \$445,000 by the time the facility closes. 	\$ -0.3	• No options identified.	
40. Veterans Affairs – Veterans Home Net Budgeting <i>Appropriation</i>	Provides services and residence for certain veterans and veterans spouses.	<ul style="list-style-type: none"> Estimated savings for FY 2009 from State salary funds provided in FY 2008. The savings result from the Veterans Home being a net budgeted institution. 	\$ -1.0	• Eliminate the historical carryforward of funds to the construction account.	\$ 3.0
41. Governor's Office of Drug Control Policy – Drug Task Forces <i>Appropriation</i>	The Governor's Office of Drug Control Policy received federal funds to distribute to the State's Drug Task Forces.	<ul style="list-style-type: none"> The Office received a one-time General Fund appropriation of \$1.4 million in FY 2008 to replace a temporary shortfall in federal funds. The Office anticipates receiving federal funds in FY 2009 to replace the one-time State appropriation for the Drug Task Forces. 	\$ -1.4	• No options identified.	
42. Human Services – State Resource Centers <i>Appropriation</i>	Provides the living and services arrangements for those with disabilities residing at these two facilities.	<ul style="list-style-type: none"> Estimated savings for FY 2009 from State salary funds provided in FY 2008. The savings result from the two State Resource Centers being net budgeted institutions and increases for continuation of placements outside the Centers. 	\$ -3.7	• No options identified.	

INTERIM COMMITTEE SUMMARY

For a summary of the activities for each of the committees listed below, see the analysis of FY 2009 budget requests for the indicated subcommittee.

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Animal Feeding of Distillers Dried Grains Study Committee	CHARGE: Consider issues related to standards for the distillers dried grains that can be used in formulating rations for livestock.	Legal: Doug Adkisson, Susan Crowley, Joe McEniry Fiscal: Deb Kozel	Agriculture and Natural Resources
Criminal Code Reorganization Study Committee	CHARGE: Meet during the 2007 and 2008 Legislative Interims to consider proposals for Criminal Code revisions, reorganization, and updates.	Legal: Joe McEniry, Rachele Hjelmaas, Ed Cook Fiscal: Beth Lenstra and Jennifer Acton	Justice
Early Care Best Practices Study Committee	CHARGE: Review best practices for Iowa's early care system of programs, services, support, or other assistance made available to a parent or other person who is involved with addressing the health and education needs of a child from birth through age five.	Legal: John Pollak, Amanda Knief, Nicole Hoffman Fiscal: Lisa Burk and Robin Madison	Education
Energy Efficiency Study Committee	CHARGE: Examine energy efficiency programs under the purview of the Iowa Utilities Board and consider other proposals for improving energy efficiency in the state.	Legal: Rick Nelson, Kathy Hanlon, Amanda Knief Fiscal: Deborah Helsen	Administration and Regulation
Freedom of Information, Open Meetings, and Public Records Study Committee	CHARGE: Review and recommend changes to Iowa's open meetings and public records laws in Code chapters 21 and 22 and the State Archives and Records Act in Code chapter 305.	Legal: Rachele Hjelmaas, Ed Cook, Joe Royce Fiscal: Douglas Wulf and Marcia Tannian	Unassigned Standing Appropriations

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Home-based Child Care Study Committee	CHARGE: Consider options for increasing the number of home-based child care providers who are subject to registration. Not more than \$100,000 is authorized for the costs of research, pilot projects, and other testing of options.	Legal: John Pollak, Patty Funaro, Nicole Hoffman Fiscal: Lisa Burk	Health and Human Services
Legislative Commission on Affordable Health Care Plans for Small Businesses and Families	CHARGE: The Commission is created by legislation to review, analyze, and make recommendations by December 2007 on a broad spectrum of issues relating to the affordability of health care for Iowans. The legislation creates a Health Care Data Research Advisory Council to assist the Commission with research, analysis, and other functions. The legislation appropriates \$500,000 for FY 2008 to the Legislative Services Agency to support the work of the Commission and Council. To accomplish its charge, the Commission is authorized to procure consultation and other support directly through the Advisory Council or through exclusive contracts with other entities able to perform in the short time frame provided for the study, subject to legislative expenditure guidelines. The Commission is authorized to expend moneys from the appropriation made in Code section 2.12 to pay the June expenses of Commission members and staff to attend the Commission's first meeting and a health care conference in Des Moines sponsored by the University of Iowa's College of Public Health, subject to all expenditure guidelines otherwise applicable to the Commission. Such expenditures may be offset by a reduction in the \$500,000 appropriation for FY 2008.	Legal: Ann Ver Heul, Patty Funaro, John Pollak Fiscal: Sue Lerdal, Jess Benson, Lisa Burk, Deborah Helsen	Health and Human Services
Legislative Property Tax Study Committee	CHARGE: The Legislative Property Tax Study Committee is established for the 2007 and 2008 Legislative Interims to perform a comprehensive review of the property tax system.	Legal: Susan Crowley, Mike Goedert, Amanda Knief Fiscal: Shawn Snyder and Jeff Robinson	Unassigned Standing Appropriations

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Livestock Odor Study Committee	CHARGE: Consider issues relating to odors associated with livestock. Study and make recommendations for additional state funding for research into cost-effective management practices, facilities, equipment, and practices to mitigate odor from livestock production facilities; for an Iowa State University Veterinary Laboratory review of airborne disease research; and for research for utilizing manure and other livestock waste products as sources of nutrient recovery and renewable energy.	Legal: Ann Ver Heul, Patty Funaro, John Pollak Fiscal: Sue Lerdal, Jess Benson, Lisa Burk, Deborah Helsen	Agriculture and Natural Resources
Skilled Worker Shortage Study Committee	CHARGE: Consider educational system improvements and other options to address shortages of skilled workers.	Legal: Susan Crowley, Mike Goedert, Amanda Knief Fiscal: Shawn Snyder and Jeff Robinson	Economic Development
State Prison System Planning Study Committee	CHARGE: Consider the recommendations and proposals generated by the state prison system study and planning addressed by the Department of Corrections and Board of Corrections pursuant to 2006 Iowa Acts, chapter 1179, section 1.	Legal: Ann Ver Heul, Patty Funaro, John Pollak Fiscal: Sue Lerdal, Jess Benson, Lisa Burk, Deborah Helsen	Justice
Sustainable Funding for Natural Resources Study Committee	CHARGE: Study how best to provide for sustainable funding for natural resource needs. Cooperate with the members of the Sustainable Natural Resource Funding Advisory Committee established in 2006 Iowa Acts, chapter 1185, section 43, and other interested persons in performing the study.	Legal: Doug Adkisson, Michael Duster Fiscal: Deb Kozel	Agriculture and Natural Resources
TIME-21 Transportation Funding Study Committee	CHARGE: Address the revenue needs of the Transportation Investment Moves the Economy in the Twenty-first Century (TIME-21) Fund created in 2007 Iowa Acts, chapter 200, for funding of roads and highways.	Legal: Mike Goedert, Michael Duster, Diane Ackerman Fiscal: Mary Beth Mellick	Transportation and Infrastructure

SALARIES AND COLLECTIVE BARGAINING

The State completed negotiations with unions representing State employees for salaries and benefits for FY 2008 and FY 2009 in March 2007. Chapter 20, Code of Iowa, establishes the framework and timeline for the bargaining process.

FY 2008 Salary Expenditures

The General Assembly appropriated \$106.8 million for salary expenditures in SF 601 (Standing Appropriations Act). The funds were appropriated to the Salary Adjustment Fund and distributed by the Department of Management to the various State departments and agencies, with an allocation of \$6.8 million for Judicial Branch employees. These funds were to pay the cost of salaries, including the cost to fund negotiated contracts with various bargaining units and similar increases for noncontract employees.

FY 2009 Estimated Increased Salary Expenditures

The total estimated need to fund salary increases for FY 2009 is \$88.4 million. This includes \$6.3 million to fund the full-year cost of salaries that were increased during FY 2008 (salary annualization) and \$82.1 million for step increases, benefit enhancements, and a 3.0% FY 2009 across-the-board increase for FY 2009 (salary adjustment). The estimate includes \$40.0 million for the Board of Regents.

The following is a brief summary of the bargaining unit agreements for FY 2008 and FY 2009.

FY 2008 AND FY 2009 COLLECTIVE BARGAINING UNIT AGREEMENTS

Bargaining Unit	FY 2008		FY 2009	
	Wages	Benefits	Wages	Benefits
American Federation of State, County, and Municipal Employees (AFSCME) – General Government and Community Based Corrections (CBC)	3.00% across-the-board pay increase on June 29, 2007. Step increases of 4.50% for eligible employees during FY 2008.	The State matches 50.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2007. Increases the covered wage for Long-Term Disability by \$10,000 to a covered total wage of \$60,000.	3.0% across-the-board increase on July 1, 2008. 4.50% step increases for eligible employees.	Same as FY 2008.

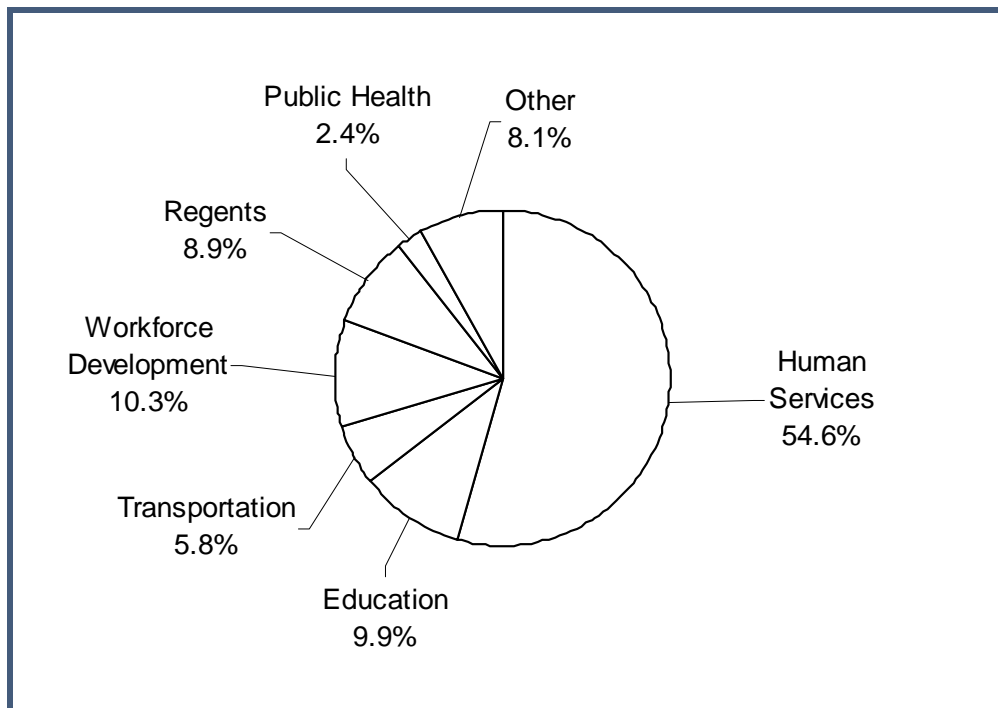
Appendix D – Salaries and Collective Bargaining

Bargaining Unit	FY 2008		FY 2009	
	Wages	Benefits	Wages	Benefits
Iowa United Professionals (IUP) and United Electrical Workers (UE)	Adds 1.45% to the pay-plan maximums before the across-the-board increase. 1.00% across-the-board pay increase on June 29, 2007. Step increases of 4.50% for eligible employees during FY 2008.	The State matches 50.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2007. Increases the covered wage for Long-Term Disability by \$10,000 to a covered total wage of \$60,000.	3.00% across-the-board increase on July 1, 2008. 4.50% step increases for eligible employees.	Same as FY 2008.
State Police Officers Council (SPOC)	Adds 6.50% to the pay-plan maximums. 2.00% across-the-board pay increase on June 29, 2007. Continuation of 3.50% merit step increases for employees that are not at the top step of the pay range.	The State matches 50.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2007. Increases the covered wage for Long-Term Disability by \$10,000 to a covered total wage of \$60,000.	2.00% across-the-board increase on July 1, 2008 3.5% step increases for eligible employees.	Same as FY 2008.
Judicial Public Professional and Maintenance Employees (PPME), and Judicial AFSCME	Step increases of 4.50% for eligible employees during FY 2008. 2.00% across-the-board pay increase on June 29, 2007.	The State matches 50.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2007. Increases the covered wage for Long-Term Disability by \$10,000 to a covered total wage of \$60,000.	2.00% across-the-board increase on July 1, 2008. 4.50% step increases for eligible employees.	Same as FY 2008.
Regents AFSCME	Step increases of 4.50% for eligible employees during FY 2008. 3.00% across-the-board pay increase on June 29, 2007.	No Change.	3.00% across-the-board increase on July 1, 2008. 4.50% step increases for eligible employees.	Same as FY 2008.

Staff Contact: Ron Robinson (281-6256) ron.robinson@legis.state.ia.us

FEDERAL FUNDS

Federal Funds Received by Iowa - Estimated FY 2008 (in millions)



Human Services	\$	2,433.9
Education		442.0
Transportation		259.3
Workforce Development		457.0
Regents		399.7
Public Health		106.7
Other		361.5
	\$	<u>4,460.1</u>

Note:

"Other" includes all State agencies reporting federal funds that are not individually identified above.

PUBLIC RETIREMENT SYSTEMS

Retirement Systems

The public retirement systems in Iowa include:

- **Iowa Public Employees Retirement System – IPERS:** The membership includes approximately 225,000 active and 82,000 retired employees of State, county, and city governments; other political subdivisions or agencies; and school districts. Special groups within the System include:
 - Sheriffs and Deputy Sheriffs.
 - Protection Occupations - airport safety officers; conservation peace officers; city marshals, fire fighters, police officers and fire prevention inspectors not under the Municipal Fire and Police Retirement System of Iowa (MFPRSI); correctional officers; and Department of Transportation (DOT) peace officers.
- **Judicial Retirement System:** There are approximately 356 covered members in this group. Membership includes active Judges, Senior Judges, retired Senior Judges, retired Judges, beneficiaries of deceased Judges, and inactive Judges with contributions remaining in the System.
- **Department of Public Safety Peace Officers’ Retirement, Accident, and Disability System – PORS:** The membership includes 631 active and 512 retired peace officers of the Department of Public Safety including uniformed sworn officers of the State Patrol, Division of Criminal Investigation (DCI) officers, drug enforcement officers, arson investigators, and fire prevention inspectors.
- **Municipal Fire and Police Retirement System of Iowa - MFPRSI or 411s:** The membership includes 3,818 active and 3,585 retired police officers and firefighters in cities with a population of 8,000 or more in 1980, and other cities that voluntarily established a civil service commission.
- **Teachers’ Insurance and Annuity Association - College Retirement Equities Fund - TIAA-CREF:** The membership includes 27,128 active members that are University, Board of Regents, and some community college employees.

Types of Plans

- The IPERS, Judicial Retirement, PORS, and MFPRSI are “defined benefit plans,” meaning the person’s retirement benefit is based on a benefit formula prescribed by contract or statute. The contributions by employers and employees are adjusted based on actuarial evaluations so funds will be available to pay retirees’ benefits. The IPERS, Judicial Retirement System, and TIAA-CREF retirees receive Social Security benefits. The PORS and MFPRSI retirees do not.
- The TIAA-CREF is a “defined contribution plan,” meaning moneys are contributed to an individual account for each participant and the moneys contributed, plus any investment earnings, determine the retirement benefit made available to the participant upon retirement.

FY 2008 Contribution Rates

	<u>Employee Share</u>	<u>Employer Share</u>	<u>Total</u>
IPERS			
Regular	3.90%	6.05%	9.95%
Sheriffs and Deputies	7.70%	7.70%	15.40%
Protection Occupations	5.64%	8.47%	14.11%
Judicial Retirement (1)	5.70%	22.52%	28.22%
PORS (2)	9.35%	17.00%	26.35%
MFPRSI/411s	9.35%	18.75%	28.10%
TIAA-CREF(3)	3.90%	6.05%	9.95%

(1) Section 602.9104(4)(c)(1), Code of Iowa, requires an employer contribution of 23.7%. If the employer's share is reduced by Session Law, than the employee's share is reduced by a like amount. In SF 563 (FY 2008 Judicial Branch Appropriations Act), the employer's share was reduced to 22.52% for FY 2008. This reduced the employer's share from 6.0% to 5.7%.

(2) The State also contributed \$2.7 million in FY 2008.

(3) The employee contribution rate for Regent Universities and the Board Office is 3.33% for the first \$4,800 of salary for staff members with less than five years of service and the employer's rate is 6.66%. After five years of service and on all additional salary, the employee's rate is 5.0% and the employer's rate is 10.0%. The employee contribution rate for Community Colleges is reflected in the Table above.

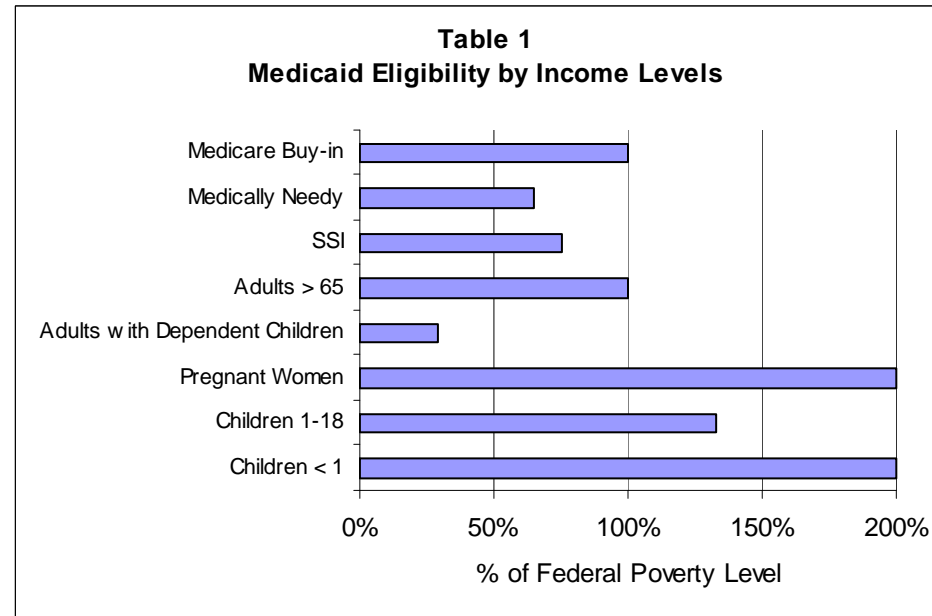
Public Retirement Systems Committee

The Public Retirement Systems Committee is a 10-member statutory legislative committee required to examine and make recommendations to the Iowa General Assembly concerning public retirement systems in Iowa. Section 97D.4(3), Code of Iowa, establishes the duties of the committee. The General Assembly addresses retirement system issues during the second year of each biennium and as needed. Interested parties make recommendations for the General Assembly to consider.

The next meeting of the Public Retirement Systems Committee is December 7. Recommendations to the General Assembly will be presented at that time.

MEDICAL ASSISTANCE PROGRAM (MEDICAID)

Medicaid is funded jointly by State and federal funds to provide health care services to low-income persons that are elderly, blind, disabled, pregnant, children under age 21, or members of families with dependent children. For Federal Fiscal Year (FFY) 2007, the federal matching rate for Iowa is 61.79%. The estimated match rate for FFY 2008 is 62.18%.



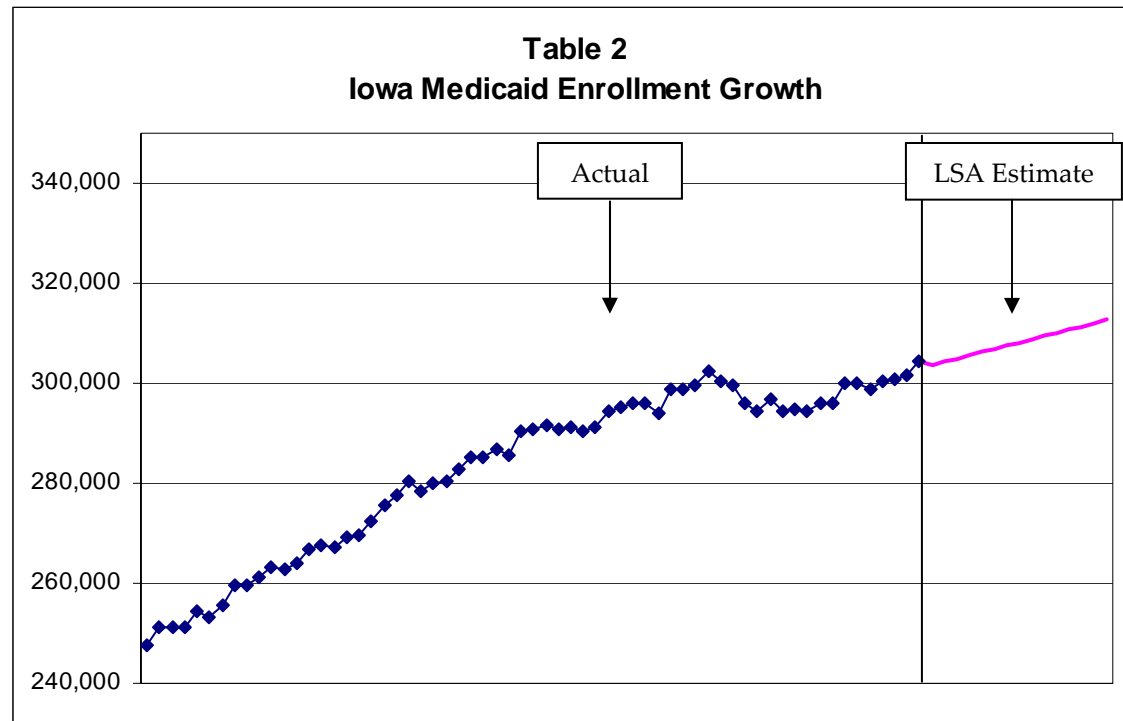
The Iowa Medicaid Program covers individuals at various levels of income as allowed under federal law. **Table 1** shows the maximum income level for children, pregnant women, adults with dependent children, recipients of Supplemental Security Income (SSI), the Medicare Buy-in Program, and the Medically Needy Program. The income levels are based on the percentage of the Federal Poverty Level (FPL), calculated annually by the federal government and varies by the size of the household. The FPL for a family of four is \$20,650 for 2007.

In October 2007, 304,333 Iowans were enrolled in Medicaid. Of this amount, 52.4% were children, 17.9% were adults with dependent children, 20.0% were disabled, and 9.6% were over age 65. Fiscal Year 2007 State expenditures totaled \$759.7 million. This was matched by approximately \$1.8 billion in federal funds, for a total of approximately \$2.6 billion in expenditures. Of the total expenditures, 16.9% was for

children, 11.4% was for adults with dependent children, 50.9% was for the disabled, and 20.8% was for adults over age 65. While children account for approximately half of the enrollment, they consume less than 17.0% of Medicaid expenditures. Adults over age 65 and the disabled account for 29.6% of enrollment but utilize 71.7% of expenditures.

State Medicaid Enrollment

Medicaid programs throughout the nation have been experiencing a significant slowing in growth attributed to economic conditions and lower increases in the cost of services than have been seen in the past. **Table 2** shows the enrollment growth in Iowa over the past five years. Average enrollment increased by 6.4% in FY 2004, by 5.8% in FY 2005, and by 3.4% in FY 2006, and in FY 2007 there was negligible growth as a result of additional citizenship requirements at the federal level.



Enrollment is projected to continue to increase slowly in FY 2008 and FY 2009. The Fiscal Services Division of the Legislative Services Agency (LSA) estimates Medicaid enrollment will increase by 2.6% in FY 2008 and FY 2009.

State Medicaid Expenditures

The FY 2008 State appropriation of \$834.0 million includes the following fund sources:

- \$616.8 million from the General Fund.
- \$99.5 million from the Health Care Trust Fund.
- \$65.0 million from the Senior Living Trust.
- \$35.3 million from the Healthy Iowans Tobacco Trust Fund.
- \$6.6 million from Property Tax Relief.
- \$10.8 million in carryforward funds from FY 2007.

Table 3 shows actual State expenditures for Medicaid for FY 2004 through FY 2007 and the appropriation for FY 2008. In addition, **Table 3** includes the LSA estimated expenditures for FY 2008 and FY 2009.

Table 3
State Medicaid Expenditures - All State Funds
(\$ in Millions)

	State Expenditures	Percent Increase
FY 2005 Actual	\$ 568.8	5.9%
FY 2006 Actual	732.6	28.8%
FY 2007 Actual	771.7	5.3%
FY 2008 Appropriation	834.0	8.1%
FY 2009 Estimate	879.0	5.4%

The FY 2009 estimate includes an additional \$15.9 million for the phase-out of federal funds for IowaCare.

FY 2008 Estimate

Staff from the Department of Management, the DHS, and the Fiscal Services Division of the LSA meet monthly to discuss current enrollment and expenditure data in the Medicaid Program and set a range for projected FY 2008 and FY 2009 expenditures. At the October 26, 2007, meeting, the group agreed to an FY 2008 range from a surplus of \$15.0 million to a supplemental need of \$15.0 million, with a midpoint of zero.

FY 2009 Estimate

The three staffs also agreed the increased need for Medical Assistance for FY 2009 is between \$35.0 and \$55.0 million with a midpoint of \$45.0 million. This increase is compared to the FY 2008 appropriation (prior to any supplemental). The estimate includes \$15.9 million for IowaCare and includes both the need at the Mental Health Institutes (MHI's) resulting from the phase out of federal funds, as well as increased utilization at the University of Iowa Hospitals and Clinics (UIHC).

Other Issues

Medical Assistance Projections and Assessment Council – The FY 2006 IowaCare Medicaid Reform Act established the Medical Assistance Projections and Assessment Council (MAPAC) to oversee the implementation of the Act. The Council members include:

- Chairpersons and Ranking Members of the Health and Human Services Appropriations Subcommittee.
- Chairpersons and Ranking Members or a Committee member appointed by the Chairpersons of the Human Resources Committees of the House and Senate.
- Chairpersons and Ranking Members or a Committee member appointed by the Chairpersons of the Appropriations Subcommittees of the House and Senate.

The Council meets at least quarterly and is charged with:

- Reviewing quarterly reports on design, development, and implementation of the IowaCare Medicaid Reform Act and making annual recommendations for reform.
- Reviewing the providers' audited financial statements related to the expansion population on an annual basis.
- Reviewing financial performance of the Iowa Medicaid Enterprise (IME) on an annual basis.
- Ensuring that the expansion population is managed within funding limitations.
- With assistance of the DHS, the Department of Management (DOM), and the LSA, agree to a projection of Medical Assistance expenditures each fiscal year.

Iowa Medicaid Enterprise – The DHS formerly contracted with a private entity for the majority of the administrative functions within the Medicaid Program (known as the “fiscal agent”). Historically, this was one contract. Beginning in FY 2006, a new contracting strategy was implemented with eight separate contracts. This new administrative structure is called the “Iowa Medicaid Enterprise” (IME). A few key points include:

- All of the contractors and the DHS staff are now in one physical location.
- The new contracts require additional services to members, providers, and the DHS and the contracts have significantly more performance requirements.

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